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ABSTRACT

Options and alternatives for an amended reauthorization of Chapter 1 grants are reviewed. New suggestions are presented for compensatory education service delivery, eligibility, and the allocation of resources. The choices, each of which is examined in detail in this report, include the following: (1) change the methods by which non-public schools are required to provide Chapter 1 services; (2) emphasize school-wide projects or the effective schools model; (3) increase parent involvement; (4) authorize the provision of services in the form of vouchers; (5) emphasize higher order skills as well as basic skills; (6) emphasize pupil values and character as causes of educational disadvantage; (7) encourage the use of educational technology; (8) improve the coordination of Chapter 1 services with the regular instructional program; (9) expand the availability of Chapter 1 services; (10) focus on children from families experiencing long-term poverty; (11) provide more intensive programs for the most disadvantaged; (12) clarify legislative intent with respect to services for handicapped and limited English proficient children; (13) put more emphasis on secondary students and dropout prevention; (14) establish programs for poor minority children who are not educationally disadvantaged; (15) provide incentives to improve performance; (16) modify the allocation formula; (17) eliminate the program; and (18) renew emphasis on the state incentive grant programs. (VM)

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CHAPTER 1, EDUCATION CONSOLIDATION AND IMPROVEMENT ACT GRANTS TO LOCAL EDUCATIONAL AGENCIES FOR THE EDUCATION OF DISADVANTAGED CHILDREN: SELECTED REAUTHORIZATION OPTIONS AND ALTERNATIVES

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ABSTRACT

The 100th Congress is scheduled to consider legislation to reauthorize the Federal program of aid for the education of disadvantaged children, under chapter 1 of the Education Consolidation and Improvement Act. This report provides a discussion of a number of possible options for amendment of chapter 1.

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CHAPTER 1, EDUCATION CONSOLIDATION AND IMPROVEMENT ACT GRANTS TO LOCAL EDUCATIONAL AGENCIES FOR THE EDUCATION OF DISADVANTAGED CHILDREN: SELECTED REAUTHORIZATION OPTIONS AND ALTERNATIVES

This report provides a discussion of 18 possible options for amendment of the program of grants to local educational agencies (LEAs) for the education of disadvantaged children, authorized by chapter 1, Education Consolidation and Improvement Act (ECIA). 1/ These options are grouped under 4 general categories, as listed in the outline below. The 4 categories refer to aspects of the chapter 1 LEA grant program that the options would modify: how services are delivered; what services are delivered; who is served; and how resources are allocated. The 18 options discussed in this paper are not necessarily comprehensive or inclusive of all the options or issues that might be considered during the scheduled reauthorization of chapter 1 during the 100th Congress. Further, the options are not discussed in any order of priority. Finally, it should be noted that one reauthorization option is simply to extend the program with no substantive amendments.

1/ This report does not provide background information on the nature or structure of the chapter 1 program--for such information, see the Congressional Research Service issue brief, "Education For Disadvantaged Children: Federal Aid", IB81142, by Wayne Riddle (regularly updated). Please note also that this report is not concerned with chapter 1 programs other than grants to local educational agencies--i.e., the State agency programs for the education of migrant, handicapped, or neglected and delinquent children are not discussed.

Outline Of Selected Chapter 1 LEA Grant Reauthorization
Options Discussed In This Report

How Services Are Delivered

1. Authorize new ways to provide chapter 1 services to non-public school pupils

   --A 1985 U.S. Supreme Court decision declared unconstitutional the method typically used to provide chapter 1 services to pupils attending religiously-affiliated non-public schools; and many of the currently-authorized alternative methods are expensive or otherwise unsatisfactory to many. Some argue that new ways of serving non-public school pupils should be authorized; while others fear that these methods would involve Federal support of, or entanglement with, religious institutions.

2. Emphasize school-wide projects and/or the effective schools model

   --Some feel that chapter 1 would be more productive if the focus were shifted to improving the entire instructional program in target schools, especially if the schools were to adopt the practices recommended by the "effective schools" 2/ research. Others are concerned that such changes would dilute services to those most in need of remedial education, reduce the number of participating schools, and inappropriately promote instructional techniques of unproven value.

3. Increase parental involvement

   --Previous requirements for parental advisory councils were removed from this program in 1981. Some would like to renew such requirements, or otherwise stimulate greater involvement of parents in the education of disadvantaged children. Others are concerned that some methods of fostering greater parental involvement would undesirably reduce the authority of local school administrators.

4. Authorize the provision of chapter 1 services in the form of vouchers

   --In recent years, the Reagan Administration and others have proposed that chapter 1 assistance be provided in the form of vouchers, that could be "cashed in" for educational services at public or private schools. Proponents argue that such a plan would empower parents to increase their influence over their children's education, and

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2/ The "effective schools" strategy is derived from a body of research on certain elementary and secondary schools that some consider to be "unusually effective" in educating disadvantaged children. For further details, see the chapter on this option in this report.

prove program performance through competition for pupils; opponents say that vouchers would offer little real choice to the disadvantaged and would damage public school compensatory education programs.

What Services Are Delivered

5. Expand chapter 1's emphasis to include "higher order," as well as "basic," skills

   --Chapter 1 services consist primarily of instruction in basic skills of reading and mathematics. Some argue that the program would be more effective if disadvantaged children were given more demanding instruction in "higher order" skills, such as analysis or problem-solving; others think chapter 1 participants are ill-equipped to profit from instruction beyond the "basics," or that the program would become too diffuse if not focused on "basic" subjects and levels of instruction.

6. Emphasize pupil values and character as the cause of educational disadvantage as well as the basis for its amelioration

   --Some analysts have recently argued that programs such as chapter 1 pay insufficient attention to: (1) "deficiencies" in pupil values and character as a cause of educational disadvantage, or (2) the potential for higher achievement through improvement in these characteristics. Others believe that such topics are both inappropriate and inadequate as a basis for Federal policy.

7. Encourage the use of educational technology for the disadvantaged

   --The recent growth in the use of microcomputers and other forms of instructional technology in elementary and secondary education has renewed interest in the potential of these media for educating the disadvantaged. Proponents have said that the disadvantaged have less access to educational technologies than other pupils, and that there are barriers to the use of chapter 1 funds for such equipment; others see no serious problems in access to educational technology or in the use of chapter 1 aid for its purchase.

8. Improve coordination of chapter 1 and the regular instructional program and/or require that chapter 1 services be supplementary in terms of instructional time

   --Typically, pupils are "pulled out" of their regular classroom instruction in reading or mathematics to receive their chapter 1 instruction in these subjects. Defenders of this practice argue that only the chapter 1 instruction is appropriate for the disadvantaged, so there is little loss in missing the regular instruction; critics say that the "pull out" practice makes chapter 1 less educationally productive than it would be if participating pupils received additional--rather than simply different--instruction in reading and mathematics.

(Option 2. Emphasize school-wide projects and/or the effective schools model) 3/

Who Is Served

9. Expand the availability of chapter 1 services commensurate with the rise in the number and proportion of children from low-income families

   --Both the number and proportion of school-age children who are in poor families have risen significantly in recent years, while chapter 1 participation has fallen. To some, this implies that chapter 1 funding should be increased substantially, but without any significant change in program focus or pupil eligibility stand-standards, so that participation can rise; others emphasize the imperfect correlation of poverty with educational disadvantage, plus LEA discretion in choosing how many pupils to serve with the chapter 1 funds they receive, and say that the case for a large increase in chapter 1 appropriations has not been made.

10. Focus chapter 1 assistance on children from families experiencing long-term poverty and/or living in areas of high poverty concentration

   --Certain studies indicate that the relationship between poverty and educational disadvantage is strongest if the poverty is long-term or when the child lives in an area with a high poverty rate. To some, this implies that chapter 1 funds should be more focused on areas with high concentrations of poor children and/or areas with large numbers of children experiencing long-term poverty; others emphasize the weaknesses in the existing research on this topic.

11. Provide a more intensive program for the most disadvantaged pupils

   --There is evidence that chapter 1 is most effective for marginally disadvantaged pupils, and not very effective for the severely disadvantaged. Some argue that this indicates a need for a program that is more intensive than chapter 1 for the most disadvantaged; others question both the research on which this proposal is based and the need for additional funds for the education of the disadvantaged.

12. Clarify legislative intent with respect to services for handicapped or limited English proficient children

   --Although many handicapped and limited English proficient children participate in chapter 1, there is much confusion--and varying State

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3/ Note that this option is discussed under the first category above, but is also relevant to the second category.

and local policies--regarding the eligibility of such pupils for the program, and the need for coordination of chapter 1 with the Education of the Handicapped Act and the Bilingual Education Act. Some argue that this situation should be clarified, while others prefer to leave such pupil eligibility decisions to State and local officials.

13. Place greater emphasis on serving secondary pupils and on dropout prevention

--Local educational agencies choose to focus chapter 1 services primarily on elementary school pupils. Some feel that there should be a more equal balance between services to elementary and secondary pupils, especially in view of increasing concern about high school dropout rates among disadvantaged youth; others feel that such decisions should be left to State and local discretion.

14. Establish a separate program for the education of poor or minority children in chapter 1 target schools who are not educationally disadvantaged

--Some feel that chapter 1 services should be available to all poor or minority children, not simply those who currently are low academic achievers. Others argue that limited chapter 1 funds should be focused on those whose achievement is lowest.

How Resources Are Allocated

15. Provide financial, or other, incentives to improve performance

--Currently, chapter 1 provides no financial or regulatory incentive--or disincentive--to improved performance by schools and LEAs. Some favor the adoption of some form of incentive program, providing either additional funds, or reduced regulation, to highly successful schools or LEAs; others doubt that such a program is either necessary or feasible.

16. Modify the allocation formula

--The formula for allocating chapter 1 funds is a perennial source of interest and controversy. Some feel that the current formula is "outdated" and/or "unfair" to certain areas of the Nation, while others consider it to be an appropriate compromise of competing concerns and goals.

17. Eliminate the program

--Some say that chapter 1 is insufficiently effective to justify its continued existence. Others consider the program to be a "crucial" contribution to educational improvement for the disadvantaged.

18. Renew emphasis on the State incentive grant program

--There is currently authorized, but not funded, a chapter 1 program of grants to match State appropriations for State compensatory education programs. Some feel that this program should be supported; others argue that too much of the support would go to relatively affluent States, or that States do not need additional incentives to commit resources to State compensatory education programs.

(Option 10. Focus chapter 1 assistance on children from families experiencing long-term poverty and/or living in areas of high poverty concentration) 4/

The discussion of the individual chapter 1 LEA grant reauthorization options follows.

4/ Note that this option is discussed under the third category above, but is also relevant to the fourth.

HOW SERVICES ARE DELIVERED

1. Authorize New Ways to Provide Chapter 1 Services to Non-Public School Pupils

Introduction

A 1985 U.S. Supreme Court decision (Aguilar v. Felton) declared unconstitutional the practice of providing chapter 1 services to pupils of religiously affiliated non-public schools 5/ by sending public school teachers into such schools. Since this had previously been the dominant method of providing such services, most LEAs serving non-public pupils under chapter 1 have had significant difficulty serving these pupils while complying with the Court's mandate. Further difficulties have arisen from ED's "non-regulatory guidance" emphasizing that chapter 1 services to non-public school pupils must remain "equitable," in terms of expenditures and nature of the services, to those provided to public school pupils. This stricture at least calls into question many of the possible alternative means of serving non-public pupils 6/ if public school pupils are not served in the same manner.

5/ Since the large majority of all non-public school pupils attend religiously affiliated schools, this section will generally refer simply to "non-public schools." However, it should be understood that the Aguilar decision referred only to religiously affiliated non-public schools. Public school systems are still allowed to send public school teachers into non-religiously affiliated non-public schools to provide chapter 1 services.

6/ For example, serving non-public school pupils in public school buildings after regular school hours, or serving non-public school pupils only via instruction by microcomputer or other electronic technology. See additional discussion of such techniques on the following page of this report.

Options

As discussed in the section of this paper on chapter 1 voucher proposals, vouchers have been described by their proponents as a constitutional means of providing chapter 1 services to pupils attending non-public schools. 7/ As noted in that discussion, one possible proposal is that only non-public school pupils participating in chapter 1 be served via vouchers redeemable for compensatory education services. This might represent a way to circumvent the barriers set by the Aguilar decision, while minimizing the potential for disruption of the overall chapter 1 program. However, this might stimulate a shift of pupils from public to non-public schools, or seem to be inequitable to public school pupils.

A number of other techniques for serving non-public school pupils under chapter 1 have been proposed, and in some localities adopted, under current law. These include using mobile classrooms or other "neutral sites" outside non-public school property, serving non-public school pupils in public schools (either during or after regular school hours), or using microcomputers or other forms of electronic educational technology to provide instruction to non-public school pupils. All of these alternatives engender one or both of two problems: they require additional administrative costs (e.g., for mobile classroom rental), which, according to ED guidance, are to be paid from general chapter 1 funds, not the funds set-aside for aid to non-public school pupils; and/or they

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7/ The constitutionality of a chapter 1 voucher plan has not been tested in the courts. For a discussion of related issues, see the Congressional Research Service Report, Analysis of the Constitutionality of the Administration's Chapter 1 Voucher Proposal Under the Establishment of Religion Clause of the First Amendment, by David M. Ackerman, Dec. 4, 1985, 9 p. Note also that under the Administration's voucher proposal as introduced in the 99th Congress (H.R. 3821, S. 1876), there would be 2 separate systems for serving non-public school pupils under chapter 1--the existing system for pupils whose parents do not choose vouchers, plus the voucher system.

may violate regulatory requirements that chapter 1 services to non-public school pupils be equivalent, in cost and nature, to those provided to public school pupils. Tuition tax credits--Federal income tax credits for school tuition or other expenses--are a hypothetical possibility, but it is unlikely that any such program, if adopted, would actually be analogous to chapter 1, since it is unclear how tax credits would be limited to parents of educationally disadvantaged children.

A final possibility might be the adoption of legislation removing any requirements that chapter 1 services to non-public school pupils be similar in nature to services provided to public school pupils; it might still be required that the costs of chapter 1 services be equal for non-public and public school pupils. Such legislation would make it possible for LEAs to provide chapter 1 services to non-public school pupils after regular school hours, or via electronic educational technology, without fear of violating the "equitable services" requirement of current chapter 1 law and regulations. However, opponents might argue that services that are not similar in nature are not really "equitable."

Given the variety of constraints and requirements applied to LEAs in the provision of chapter 1 services to non-public school pupils, many local program administrators appear to remain uncertain as to how to serve such children. There may have been at least a short-term reduction in the number of non-public pupils served. Some have expressed fear that alienation of non-public administrators and advocates might lead to a reduction of support for chapter 1 funding. All of these factors provide incentives for a search for additional, constitutionally acceptable ways to serve non-public school pupils under chapter 1.

2. Emphasize School-wide Projects and/or the "Effective Schools" Model

Introduction

In general, only those educationally disadvantaged children selected to participate in chapter 1 are intended to be assisted by the program, and there are numerous legislative and regulatory provisions designed to assure that funds are only used to serve eligible pupils. The one major exception to this pattern has been the authorization for "school-wide" projects (between 1978 and 1981, then again from 1983 to the present) in school attendance areas where 75 percent or more of the children are from poor families, and which meet certain other requirements. In schools that qualify and apply under this provision, many of the usual chapter 1 restrictions on the use of funds do not apply, and chapter 1 aid can be used on a school-wide basis. However, the 75 percent threshold is sufficiently high that relatively few schools have qualified under the current provision; some LEAs with schools that might otherwise qualify have been dissuaded from applying because of a requirement to provide additional State/local matching funds to such schools. 8/

In contrast to the usual emphasis on targeting limited Federal assistance on the individual children deemed to be most disadvantaged in project schools, many analysts have argued that only a school-wide approach--i.e., one involving the entire instructional program and environment of a school--can develop an educational environment appropriate for maximizing educational achievement by disadvantaged children. This approach is discussed both in the general "school

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8/ The authors of a 1981 study of implementation of this provision found that only 19 LEAs in 6 States had adopted school-wide plans. See "The School-wide Projects Provision Of ESEA Title I: An Analysis of the First Year of Implementation," by David Paul Rubin and Jane L. David, Bay Area Research Group, April 1981, 51 p.

effectiveness" literature, 9/ in legislation passed by the House in the 99th Congress, 10/ and a recently-disseminated guide to chapter 1 projects identified as exemplary by the Department of Education. 11/ The guide to exemplary projects identified 13 attributes that were deemed to be characteristic of effective educational programs for disadvantaged pupils. These were divided into the 2 general categories of organizational versus instructional attributes, as follows:

--Organizational attributes:

  --positive school/classroom climate,

  --clear goals and objectives,

  --coordination with regular school program/ other special programs,

  --parent/community involvement,

  --professional development and training,

  --evaluation results used for program improvement, and

  --strong leadership;

--Instructional attributes:

  --appropriate instructional materials, methods, and approaches, 12/

  --maximum use of academic learning time,

9/ U.S. Library of Congress. Congressional Research Service. The Effective Schools Research: Content and Criticisms, by James B. Stedman, [Washington] 1985. 12 p. (Report no. 85-1122 EPW)

10/ Under H.R. 4463, 99th Congress, States would have been required to use one-half of the ECIA chapter 2 funds retained by them (as opposed to being allocated to LEAs) for "effective schools" programs.

11/ "Effective Compensatory Education Sourcebook," U.S. Department of Education, 1986, 2 vols. 261 p.

12/ Examples given include individualized instruction, ability grouping, and cross-age tutoring.

--high expectations for student learning and behavior,

--closely monitored student progress,

--regular feedback and reinforcement to students from teachers, and

--student excellence recognized and rewarded.

While some of these attributes refer only to the specific activities of chapter 1 projects, others refer to the overall school environment: e.g., high expectations, recognition of excellence, strong leadership, positive climate, parental/community involvement, etc. In fact, all of the "organizational" attributes may be considered to be school-level characteristics. Further, according to the ED guide, "[T]he interrelationship of attributes suggests that chapter 1 programs will become more effective only when schools become more effective." 13/ Other analysts have focused attention on the "culture" or "ethos" of a school as a whole as the key source of effectiveness in educating disadvantaged pupils. 14/

To the extent that such "effective schools" research is considered to be valid--and there is not universal agreement on this 15/--it might be argued that chapter 1's typical focus on a targeted minority of disadvantaged pupils is likely to be less effective in raising their achievement than a school-wide approach to improving performance. At the same time, as long as chapter 1 funds are relatively limited in comparison to the overall need for compensatory

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13/ "Effective Compensatory Education Sourcebook," p. 21.

14/ See "The Effective Schools Research: Content And Criticisms," p. 8-9.

15/ See "The Effective Schools Research: Content And Criticisms," p. 10-12. Among the principal objections of critics of the "effective schools" research are that it is based on a small number of schools, that it often fails to adequately account for the effects of family background, that it is sometimes contradictory, and that it focuses on a limited set of school objectives.

education programs; and given that even in the majority of chapter 1 target schools, most pupils are not disadvantaged; then requirements intended to focus assistance on the most disadvantaged pupils are likely to be continued. Nevertheless, there are certain ways to at least partially resolve this apparent conflict between a "school-wide" versus "target pupil" emphasis for chapter 1.

Options

One possibility would be to lower the poverty child threshold from 75 percent for the currently authorized school-wide plans. This, if combined with a reduction in the local fund matching requirement and greater dissemination of information about the availability of this option, might lead to increased implementation of the existing authority. The reduction of the threshold might be accompanied by additional requirements for schools wishing to implement this provision--e.g., that school-wide plans include development of the organizational attributes listed above. Alternatively, on a broader scale, all chapter 1 project schools could be required to establish and implement plans for development of the organizational attributes that have been frequently found to characterize effective schools for the disadvantaged.

Proponents of this approach might argue that either of the options discussed above would likely improve the effectiveness not only of chapter 1 projects but also that of the target schools as a whole, at little or no extra Federal cost. Proponents might argue that such requirements are only one step beyond the current ED efforts to disseminate advice regarding school effectiveness for the disadvantaged.

In response, opponents of such requirements might argue that they would represent unwarranted Federal intrusion into school organizational policies that are properly the responsibility of the States and LEAs, not the Federal Government. Opponents might also argue that it is especially inappropriate to mandate--either for all chapter 1 projects, or even only those applying for school-wide plan authority--the adoption of policies affecting all children in a school, whether or not they are chapter 1 participants. Further, opponents might state that the organizational implications of effective schools research are somewhat vague, that their universal applicability is unproven, and that the successful implementation of these attributes (e.g., "strong leadership") is dependent primarily on the personality and talents of school administrators and teachers, personal characteristics not always available or recognizable among current staff.

3. Increase Parental Involvement

Introduction

Throughout most of the history of the title I/chapter 1 program, the active involvement of parents in the education of disadvantaged children has been considered to be important for program success. Under ESEA title I, the primary means for encouraging such parental involvement was a mandatory system of school- and LEA-level parental advisory councils. While these councils guaranteed at least a minimal level of influence on program activities by a group of parent representatives, these councils did not assure any active involvement on the part of individual parents in the education of their children. Further, the role and authority of the councils were somewhat ambiguous, and many local

school administrators resented the councils as potentially interfering with their authority and responsibilities. This attitude was reflected in a poll of a representative sample of local title I directors in 1981, according to which these administrators considered the parental advisory councils to be the most burdensome and least educationally necessary of all title I requirements. 16/ Alternatively, some parental advisory councils may have been relatively ineffective and/or easily manipulated by administrators.

In the ECIA, the parental advisory council requirement was replaced with a general provision that programs should be "designed and implemented in consultation with parents" of children to be served (sec. 556(b)(3)). A study of implementation of the chapter 1 legislation in 24 LEAs found that parental advisory councils had been eliminated in 10 of these, and in most of the other LEAs, the scope of council activities had been significantly reduced. 17/ The 1983 ECIA technical amendments added a requirement for an annual public meeting for parents of children eligible to be served under chapter 1, and a provision that LEAs "may," if requested, provide "reasonable support" for additional parental activities (sec. 556(e)). Regulations reflecting the 1983 technical amendments require LEAs to "develop written policies to ensure that parents of the children being served have an adequate opportunity to participate in the design and implementation of the LEA's chapter 1 project," and give examples of types of parental activities that LEAs "may consider" implementing (34 CFR 200.53).

16/ Advanced Technology, Inc., Local Operation of Title I, ESEA 1976-1982: A Resource Book, June 1983, p. 6-16.

17/ McLaughlin, Milbrey W., et al. State and Local Response to Chapter 1 of the Education Consolidation and Improvement Act, 1981, April 1985, p. 142.

Options

The positive effect of parental involvement in the education of all children is almost universally agreed upon. However, opinions differ widely on the most effective means for Federal legislation to encourage such involvement, or whether any Federal legislative requirement is likely to substantially affect involvement of the parents of chapter 1 participants. It might be argued that the only constructive action the Federal Government can take in this regard is to make clear to LEAs their responsibility to involve parents in chapter 1 programs, but to leave the nature of that involvement to LEA discretion--which is essentially what is provided in chapter 1 currently.

An alternative approach to increasing parental involvement is embodied in the chapter 1 voucher proposal offered by the Reagan Administration most recently in 1985. Under this legislation as introduced in the 99th Congress (H.R. 3821, S. 1876), the parents of all chapter 1 basic grant program participants would have the opportunity to choose to "spend" vouchers at their child's regular public school, another public school in or outside the LEA, or an eligible non-public school. It might be argued that such a proposal would maximize parental involvement, by giving each child's parent(s) the authority and responsibility to choose the available educational program that the parent(s) judge(s) would best meet their child's educational needs. The ability of parents to move their children from one school to another might give them a degree of control over the nature of chapter 1 programs and services; while the responsibility to consider and choose among alternative educational programs might force parents to pay greater attention to their children's educational needs. However, as noted below in the discussion of the voucher proposals, there are concerns about the potential disruption of chapter 1 under a voucher

system, as well as over the knowledge and ability of the parents of educationally disadvantaged children to diagnose their children's educational needs and determine the educational program best designed to meet those needs.

Another alternative method of increasing parental involvement in the education of disadvantaged children has been proposed, on an experimental basis, in the "Even Start" program that would have been authorized in H.R. 4463 (99th Congress). This legislation, passed by the House on June 17, 1986, would have required the Secretary of Education to set aside a portion of the funds appropriated for the Adult Education Act and the block grant program authorized by chapter 2 of the ECIA to be used for demonstration projects of basic education for both educationally disadvantaged children and their parents in areas of relatively high poverty concentration. This program is intended to provide general, basic education to the parents, as well as to increase their involvement in their child's education, especially by teaching the parents how to help instruct their children. Such an approach might be considered for the entire chapter 1 basic grant program. However, many parents of chapter 1 participants are neither poor nor educationally disadvantaged themselves, so a universal requirement for basic education for parents of chapter 1 participants might be inappropriate. Other possible disadvantages of such a proposal are that it might add substantially to program costs, that appropriate facilities might not be available, that parents might not be able or willing to participate, or that a program attempting to serve both children and adults might lose its focus and fail to meet the educational needs of either group.

Another means of increasing parental involvement in chapter 1 was proposed in the chapter 1 voucher bill introduced by Representative Henry in the 99th Congress (H.R. 5409). This bill proposed the development of an "individualized instructional plan" (IIP) for each child participating in chapter 1.

The IIP would be jointly prepared by representatives of the LEA in which the child resides, the child's parents, and--where requested by the parents--non-public school representatives. This IIP concept is similar to the individualized educational program (IEP) required under the State grant program of part B of the Education of the Handicapped Act (EHA). A substantial degree of parental involvement in the diagnosis of an educationally disadvantaged child's needs, and the determination of the best means of meeting those needs, was intended to result from the requirement that LEAs negotiate a written agreement with parents on these matters. Possible disadvantages of such requirements include: the administrative burden and costs for LEAs in complying; an "unrealistic" rise in parental expectations given the practical limitations on the range of educational services available in most LEAs; and local program administrators' concern about "undue" parental influence over program policies, or "excessive" demands for services for their children. Under the previous ESEA title I legislation, "individualized plans" were encouraged, but not required.

4. Authorize the Provision of Chapter 1 Services in the Form of Vouchers 18/

Introduction

Proposals to authorize the provision of chapter 1 basic grants in the form of vouchers to some or all participating pupils were offered by the Reagan Administration and others during 1983-1986 (for example, see S. 1876/H.R. 3821 or

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18/ For a more thorough analysis of issues related to chapter 1 voucher proposals, see the Congressional Research Service report, Vouchers for the Education of Disadvantaged Children: Analysis of the Reagan Administration Proposal, by Wayne Riddle, Nov. 15, 1985, 38 p.

H.R. 5409, 99th Congress). Under such plans, the parents of at least some pupils chosen to participate in chapter 1 each year would receive a voucher, generally equal in value to the LEA's average chapter 1 grant per pupil served (minus administrative expenses), which could be used to purchase educational services at any public or private school meeting certain eligibility standards. While some chapter 1 voucher proposals have required that the voucher assistance be used only to provide supplementary educational services designed to meet the special educational needs of educationally disadvantaged children (e.g., H.R. 5409), others--including the past Administration proposals--would allow the vouchers to be used to pay basic or regular tuition costs with no requirement for supplementary services to be provided to participating pupils.

A primary rationale offered by proponents for the chapter 1 voucher proposals is that the parents of participating pupils are best able to determine what educational services and environment will meet their child's needs. Proponents argue that although chapter 1 may be modestly successful in its current form, it would be more effective if parental involvement, influence, and control over the services provided were increased. They further argue that a chapter 1 voucher would provide to the typically low-income families of chapter 1 participants a degree of choice over their children's education already enjoyed by middle- and upper-income families, who frequently have the resources to either send their children to private schools or to move to a different public school district or attendance zone. In cases where the voucher proposals do not require that special supplementary services be provided to chapter 1 participants, it has been argued that the regular educational program in alternative schools selected by participants' parents may be more effective than a supplementary program in the participants' regular schools. Proponents have argued that vouchers would be a constitutionally acceptable way to serve

chapter 1 participants attending private schools--because they would avoid the problem of "excessive entanglement" of local educational agencies with religiously affiliated non-public schools--and help assure that private school pupils receive an equitable share of chapter 1 services. Finally, chapter 1 voucher proponents have argued that their proposals would increase competition among different public, and among public and private, schools, leading to improved quality and cost-effectiveness in both sectors.

In response, opponents of the chapter 1 voucher proposals have argued that such plans would unnecessarily disrupt a successful program, and provide only an illusion of choice to the parents of participating pupils. Opponents have argued that chapter 1 has been an effective program, and that its success depends on local project stability and planning, on the provision of supplementary educational services designed to meet the special educational needs of disadvantaged children, and on the concentration of resources in a relatively limited number of project sites. They argue that chapter 1 vouchers would weaken these bases for success by dispersing participating pupils and funds among a larger number of schools, introducing the potential for substantial instability in annual project enrollments, and--in some proposals--removing the requirement that chapter 1 funds be used only for supplementary services. Further, opponents have argued that the proposed vouchers would not offer a "meaningful" choice, since the National average voucher value is significantly less than average private school tuition levels. 19/ Opponents have argued that the constitutionality of chapter 1 vouchers is questionable, because they would constitute Federal aid to predominately religiously-affiliated

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19/ In 1983-84, the National average chapter 1 grant per child served was $563, while the average tuition for private elementary schools was $890 and the average for private secondary schools was $1,990. For Catholic elementary and secondary schools (combined), the 1983-84 average tuition was $740.

institutions, and that methods other than vouchers are available for providing chapter 1 services to private school pupils. 20/ Voucher opponents have stated that voucher proposals are often implicitly based on the unrealistic assumption that pupils participating in chapter 1 typically come from intact (i.e., two-parent) families, in which the parents are well-informed about their children's educational needs and the best educational means of meeting those needs. Finally, voucher opponents have disputed the applicability of a commercial, market-based model of competition--and its implication of greater quality and cost-effectiveness resulting from increased competition--to the provision of a universal public service such as elementary and secondary education.

Options

The types of voucher proposals introduced in the 99th Congress might again be considered as part of the reauthorization of chapter 1 in the 100th Congress, although it has recently been reported that the Reagan Administration has withdrawn the specific voucher proposal it offered in 1985. 21/ A more modest type of voucher proposal than those introduced thus far would be the use of vouchers as a means of providing chapter 1 assistance only to participating pupils attending private schools (or, more specifically, religiously-affiliated private schools). Such an approach might offer a means of serving private

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20/ U.S. Library of Congress. Congressional Research Service. The Implications of Aguilar v. Felton for the Provision of Title I/Chapter 1 Assistance to Non-public School Children, by David Ackerman and Wayne Riddle, [Washington] 1985. 30 p.

21/ See Administration Drafts 3d Plan For School Vouchers, New York Times, December 1, 1986, p. A15.

school pupils that is Constitutionally acceptable, 22/ yet would not disrupt the entire chapter 1 program. Under such a plan, pupils could be selected to be served in the same manner as under current law, but only those pupils selected who currently attended private schools would receive (or have the option to receive) vouchers. Other participants would receive chapter 1 services at their regular public school. If desirable, it could also be required that voucher assistance be used only to purchase supplementary educational services (although enforcement, through regular monitoring of activities in non-public schools by public school officials, of this or other requirements might raise the issue of "excessive" church-state "entanglement").

Another more modest alternative to the chapter 1 voucher proposals introduced in the 99th Congress might be a program to increase pupil/parental choice, but only within the public school sector. For example, it might be authorized that chapter 1 funds "follow the child" if a participating pupil were to transfer from one public school to another in the same LEA. Alternatively, LEAs might be authorized to receive supplementary chapter 1 grants, or be exempted from certain regulatory constraints, in return for establishing an "open enrollment" plan for chapter 1 participants, and developing a variety of different instructional approaches in different chapter 1 target schools. Supplementary chapter 1 grants might also be offered to encourage voluntary transfers of participating pupils from low-income urban or rural to suburban LEAs. It might, or might not, be required that schools receiving such transfer pupils offer supplementary instruction intended to meet

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22/ For an analysis of the constitutionality of the use of chapter 1 vouchers to serve pupils attending religiously-affiliated private schools, see the Congressional Research Service Report, Analysis of the Constitutionality of the Administration's Chapter 1 Voucher Proposal Under the Establishment of Religion Clause of the First Amendment, by David Ackerman, Dec. 4, 1985, 9 p.

the transferring child's special educational needs. Such public school-only plans would avoid the political and constitutional difficulties associated with voucher plans that include private schools, and could be organized in a wide variety of ways. They might provide a measure of the advantages hypothesized to be associated with increased choice, 23/ while maintaining public school officials' authority to minimize potentially disruptive effects. However, to those who believe that only private schools offer a meaningful level of choice for disadvantaged pupils and their parents, a public school-only option would be inadequate.

WHAT SERVICES ARE DELIVERED

5. Expand Chapter 1's Emphasis to Include "Higher Order", as Well as "Basic," Skills

Introduction

Virtually all chapter 1 basic grant projects focus on the development of the basic skills of reading and elementary mathematics among disadvantaged pupils, primarily in the elementary grades. The rationale for such an approach is obvious, considering the deficiencies in basic skills of chapter 1 participants. However, certain analysts have argued that disadvantaged pupils are not well served by an almost exclusive emphasis on basic skills, that such instruction is insufficiently challenging or interesting, as well as being unnecessary. Such individuals have argued in favor of educational strategies

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23/ For a discussion of the advantages and disadvantages associated with public school choice systems now in operation, see Family Choice Arrangements in Public Schools: A Review of the Literature, by Mary Anne Raywid, Center for the Study of Educational Alternatives, Hofstra University, Feb. 1984, 54 p.

-intended to develop "higher order" skills (e.g., analysis, synthesis, problem solving) among the disadvantaged--often using relatively new educational technologies, and often in subjects other than basic reading and mathematics--as the best way to both teach basic skills and impart higher expectations for the achievement of disadvantaged pupils. They have also argued in favor of applying more rigorous academic standards to all pupils, whether disadvantaged or not, with additional assistance designed to help the disadvantaged meet these standards.

Option

According to two advocates of this approach, "[T]he conventional approach to chapter 1 education fails the test of equity. Drill and practice, the usual approach, often fails to develop even rudimentary skills, particularly in the upper elementary grades . . . . Systematic instruction in higher-order thinking skills can be used as a basis for developing basic skills. The best way to get students to feel good about themselves is to help them develop sophisticated skills that they did not feel they could achieve and that are admired by other students." 24/

Examples of demonstration programs or proposals which attempt to impart higher order academic skills to disadvantaged pupils include the Higher Order Thinking Skills project developed at the University of Arizona, the Paideia Proposal advocated by Mortimer Adler and others, or a group of chapter 1 projects identified in a recent report as emphasizing "high expectations for

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24/ Higher-Order Thinking for Compensatory Students, by Stanley Pogrow and Barbara Buchanan, Educational Leadership, Sept. 1985, p. 41.

student learning and behavior." 25/ A related theme is the emphasis, in many recent proposals for comprehensive reform of elementary and secondary education, on application of high academic standards and a rigorous core curriculum to all pupils, except the severely (mentally) handicapped. Such advocates argue that the future American labor market and society will require a sophisticated level of thinking skills on the part of all participants, unlike the past. Further, they have argued that disadvantaged pupils can be best stimulated to achieve when challenged by an educational program that goes beyond basic skills, that the development of higher order skills does not depend on earlier or thorough mastery of basic skills, and that a focus on basic skills for the disadvantaged is inequitable in its implicit lowering of goals and expectations for such pupils. These advocates emphasize the influence of expectations, and the many ways these are directly and indirectly communicated, on academic achievement. They argue that the higher the expectations and the greater the challenge, the higher the achievement, for disadvantaged as well as other pupils.

Advocates of the "higher-order skills" approach often emphasize subject areas other than reading or basic mathematics, which are the staples of conventional chapter 1 programs. These subjects are often replaced with relatively advanced mathematics, the sciences, or more advanced reading skills (such as analysis or synthesis). Many such projects or proposals utilize microcomputers or other relatively new educational technologies; yet this is not a distinctive feature of such projects, since microcomputers are often used for "drill and practice" activities in more conventional chapter 1 projects. "Higher-order skills" projects also frequently emphasize in-class--rather than

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25/ Effective Compensatory Education Sourcebook, U.S. Department of Education, 1986, 262 p.

pull-out 26/--instructional designs, with integration of chapter 1 participants into the regular instructional program to the maximum feasible extent.

In response, opponents of a "higher-order skills" emphasis for chapter 1 might argue that the development of such skills is dependent on the previous mastery of basic academic skills, and that attempts to ignore this contingency would be unproductive. They might state that exposure to "higher-order," or in many cases even "regular," instruction will only discourage disadvantaged pupils with basic skills deficiencies, leading to alienation from the educational process, a sense of failure, wasted time, a lack of confidence, and further decline in achievement. Opponents might further argue that special instructional programs were designed and implemented for chapter 1 participants specifically because regular instructional programs were inappropriately demanding for these pupils, and that "high-order skills" instruction would be even more inappropriate and unproductive. In addition, it might be argued that the distinction between "basic" and "higher-order" skills is much more clear in theory than in practice; and that it would be highly difficult--if not also inappropriate--for the Federal Government to require a focus on "higher-order" skills in chapter 1 projects, beyond the existing process of identifying and disseminating information about exemplary chapter 1 projects (that may be voluntarily adopted by other LEAs). A specific curricular approach has not been mandated under chapter 1 in the past; it has always been implicit in the chapter 1 legislation that such decisions are best made by local teachers and administrators, on the basis of their concrete knowledge of, and experience in, serving disadvantaged pupils.

26/ Hence, removing participating pupils from their regular classroom environment for portions of the school day in order to receive chapter 1 services.

6. Emphasize Pupil Values and Character as a Cause of Educational Disadvantage as Well as a Basis for its Amelioration

Introduction

In recent years, certain analysts have argued that the primary factor determining poor academic performance, especially among students from ethnic minority or low-income families, is their value orientation. Secretary of Education Bennett has frequently stated that pupil character development is one of his top priorities, and has defined positive character traits as including "thoughtfulness, fidelity, kindness, honesty, respect for law, standards of right and wrong, diligence, fairness, and self-discipline." 27/

Background

Illustrative of this approach is the finding of a recent Department of Education-funded study that "for all disadvantaged populations examined, stronger traditional values are associated with greater academic success." 28/ According to the authors of this study, the extent to which pupils hold certain values is more predictive of educational success than their socioeconomic status, and disadvantaged pupils are more likely to perform well in school if they believe in the value of hard work and in the rewards of planning for their future, participate in organized religious activities, have parents who express encouragement and concern about their education, and have friends who value academic success. These findings were based on opinions expressed by a

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27/ Education Times, April 8, 1985, p. 2.

28/ Values And Educational Success Among Disadvantaged Students, by Alan L. Ginsburg and Sandra L. Hanson, Decision Resources Corporation, 1985, 20 p.

nationally representative sample of 1980 high school seniors included in the Department of Education's High School and Beyond survey. To illustrate the hypothesized relationship between "traditional" values and educational performance of disadvantaged pupils, the authors focus on certain groups of recent Asian immigrants, whose average academic achievement levels have been high relative to their parents' income and educational status.

Another analysis focusing on "values" and "character" as key determinants of the educational performance of all pupils, including the disadvantaged, is "Developing Character: Transmitting Knowledge," a 1984 statement edited by Edward A. Wynne and Herbert J. Walberg. This statement emphasizes a judgment that "our youth character policies have been increasingly ineffective" (p. 5), that schools generally ignore character development as both a responsibility of the schools and a cause of poor academic performance, and that the performance of all pupils can be substantially increased by focusing on the development of character, discipline, and responsibility, and by increasing expectations and standards for the performance of all pupils.

An emphasis on the joint development of character and intellect, especially for disadvantaged students, is also recommended in several of the essays in a 1985 book entitled "Challenge to American Schools, the Case for Standards and Values." 29/ Particularly in a chapter by Gerald Grant, 30/ it is posited that American public schools have lost a previous emphasis on transmission of "traditional, middle class" values--described as including values of hard work, planning ahead, discipline, and a sense of individual responsibility for one's actions and their effects on oneself as well as others--and that this emphasis

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29/ Edited by John Bunzel, New York, Oxford University Press, 1985, 248 p.

30/ Schools That Make An Imprint: Creating A Strong Positive Ethos.

must be renewed before the academic performance of, especially, disadvantaged pupils can be significantly improved. There is also an emphasis on creating a clearly defined and transmitted "ethos" for each school, emphasizing discipline and high performance standards and expectations, that is similar to a primary recommendation of proponents of the "effective schools" movement. In fact, the proponents of the "effective schools" model and of an emphasis on "character development" for disadvantaged pupils express several common themes, but the latter are distinguished by their focus on the importance of reviving what they perceive to be historical, "traditional, middle class," and even religious values in the schools, and to a past era of "successful" public education, while the former tend to pay relatively little attention to historical models or explicitly religious concerns.

Relationship to Current Chapter 1 Legislation

As discussed in a recent Congressional Research Service report, 31/ the chapter 1 LEA basic grant program is based on the assumption of a significant aggregate-level correlation between poverty and educational disadvantage, but individual pupils are selected to be served on the basis of their educational disadvantage, not family income. Thus, the validity of the current structure of chapter 1 is not dependent on a perfect correlation of poverty and educational disadvantage at the individual pupil level, or on an assumption that poverty "causes" educational disadvantage. As long as poverty and educational disadvantage are significantly correlated at the aggregate (e.g., school attendance zone or larger geographic area) level, it does not matter--in terms of the distribution of chapter 1 resources and services--whether educational

31/ U.S. Library of Congress. Changes in the Rate of Child Poverty: Possible Implications for Chapter 1, Education Consolidation and Improvement Act, by Wayne Riddle. [Washington] 1986. 29 p. (Report no. 86-773)

disadvantage is "caused" by poverty, by "unproductive" values, or by some other factor. Therefore, it might be argued that a pupil values-based diagnosis of educational disadvantage is essentially irrelevant to chapter 1 and the current Federal role in educating disadvantaged children if concentrations of pupils from low-income families still serve to identify areas with concentrations of educationally disadvantaged pupils.

However, an assumption that "unproductive" or "untraditional" values are the primary basis of educational disadvantage could lead to a questioning of whether the provision of supplementary educational services and resources is the most effective means of ameliorating educational disadvantage--i.e., whether some more direct effort to modify pupils' values would be more appropriate. Yet such an implication is immediately faced with substantial historical, if not also legal or constitutional, barriers. Mere statements of advice by Department of Education officials or others regarding pupil values or character regularly engender controversy. Such an approach, if it went beyond simply verbal statements of opinion or recommendations, would be unprecedented in comparison with past Office/Department of Education restraint in matters of curriculum or instructional strategy. It might also violate the prohibition against Federal "direction, supervision, or control" over the "curriculum, program of instruction, administration, or personnel of any educational institution." 32/ While it might be argued that the Federal courts, through such decisions as those on school prayer or discipline issues, have affected the ability of public schools to transmit certain values to their pupils, the executive branch of the Federal Government has almost always been rather circumspect in such matters, and has been subjected to severe criticism when involved in the

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32/ Sec. 103(b) of the Department of Education Organization Act, P.L. 96-88.

development of curricular materials that some thought to be implicitly value-laden. 33/

Beyond such obstacles, it might be argued that there is far from universal agreement on what specific values should be taught in the schools, how and at what governmental level this should be determined, and how to engender such values once they have been decided upon. Many have argued that, if public schools do not promote certain "traditional" values to the extent that they may once have done so, this is the inevitable and appropriate result of an increasing heterogeneity of American society, as well as increased recognition of the large degree of heterogeneity that has always characterized this Nation. It might be argued that such conditions make it inappropriate for the Federal Government to promote certain values as if they were universally accepted. Further, one might question the causality of any statistical relationships between certain values and educational achievement. It is probable that certain values and educational achievement are interrelated, with neither being the ultimate or primary cause of the other. For example, does a student's belief in the value of hard work cause improved achievement, or does a student's academic success cause him or her to place greater value on the hard work necessary to attain that success? Does parental attention and encouragement cause higher achievement, or does high pupil achievement encourage parental attention, interest, and support? However, in response, certain proponents of an emphasis on values or character education have argued that there are selected "traditional" or "middle class" values that are accepted by

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33/ For example, see the discussion on pages 9-11 of the Congressional Research Service report, The Concept Of "Secular Humanism" in the Context of Elementary and Secondary Education: Discussion of the Variety of Meanings, and References in Federal Education Legislation, by Wayne Riddle, Report No. 86-545 EPW, Jan. 31, 1986.

virtually all Americans, that these should be promoted by the schools to a greater extent than at present, and that questions of causality may be irrelevant as long as these values and achievement are related.

In any case, analysts who focus on values or character development as key priorities for the amelioration of educational disadvantage have not generally gone beyond diagnoses of such factors as being a primary cause of poor academic performance, and general statements that the amelioration of disadvantage should take character development into account. Specific, concrete proposals for modifications of chapter 1, or establishment of new Federal programs for the disadvantaged, that are aimed at character development have not yet been offered.

7. Encourage the Use of Educational Technology for the Disadvantaged

Introduction

The use of microcomputers and related, relatively new, electronic instructional technologies for the general population of elementary and secondary pupils has greatly expanded in recent years. There has been a parallel rise in interest regarding the use of educational technology for compensatory education programs, in equitable access to such technology for disadvantaged pupils, and in possible barriers to adoption of such technology that might be caused by current chapter 1 legislation or regulations. The only existing study specifically on the use of microcomputers in chapter 1 programs 34/ was completed in 1983, so now has become significantly out of date with respect to this

34/ The Use of Computers in Instruction Supported Under Chapter 1 of the Education Consolidation and Improvement Act, by Elizabeth R. Reisner, Policy Studies Associates, Inc., September 1983, 23 p.

rapidly developing area. Nevertheless, a brief review of its findings would be useful as an introduction to this topic.

In her 1983 study of the use of microcomputers in chapter 1 programs, Elizabeth Reisner found that although, in general, elementary and secondary schools with relatively high proportions of children from low-income families were less likely to have microcomputers available for pupil use, schools with chapter 1 programs were about as likely as non-chapter 1 schools overall to have microcomputers for instruction. This apparent conflict in findings was resolved via an assumption that schools serving low-income areas with chapter 1 programs were highly likely to use some of their chapter 1 funds for microcomputer purchases. However, among schools with one or more microcomputers, chapter 1 schools were found to have fewer microcomputers per school; the microcomputers were used less frequently; and the microcomputers were more likely to be used for remedial drills and basic skills instruction, less likely to be used for learning enrichment, computer literacy, or computer science instruction, than in non-chapter 1 schools. Nevertheless, Ms. Reisner stated that "the available evidence does not permit us to conclude that these assignments are unfair or improper" (p. 21). Many of those surveyed expressed concern that the chapter 1 statute and regulations--in both their requirement that equipment purchased with chapter 1 funds be used only by chapter 1 pupils, and their general lack of recognition of, or clear direction regarding, the use of new forms of instructional technology in chapter 1--created barriers to an optimal level of use of microcomputers in chapter 1 programs. Finally, Ms. Reisner concluded that "[N]o systematic information exists on the effectiveness of computer-related instruction in chapter 1 projects" (p. 15).

More recent data, from a 1985 survey, is relevant to these topics, although it is less specifically focused on chapter 1. 35/ Those who conducted this survey, published by the Center for Social Organization of Schools of the Johns Hopkins University, found that overall, low-achieving (bottom one-third) elementary and secondary pupils used microcomputers in schools much less frequently than high-achievers (top one-third). To the extent that pupils in each achievement group used microcomputers, high-achievers tended to use them in developing higher-order thinking skills, programming skills, writing, problem-solving, science projects, etc., while low-achieving pupils used them primarily for developing basic skills and the improvement of motivation or self-confidence. Both the teachers and pupils in classes of high-achievers were much more likely to have a microcomputer in their home than in classes of low-achievers.

Interest in the use of microcomputers for compensatory education programs derives not only from the potential effectiveness of such technology in basic or even higher order skills instruction for the disadvantaged--of which there still seems to be little beyond anecdotal evidence--but also from concern that a lack of familiarity with such equipment and its capabilities may create life-long educational and labor market difficulties for poor or minority youth, who are less likely than others to have access to microcomputers at home. 36/

35/ Instructional Uses of School Computers, Reports from the 1985 Survey, Issue no. 2, August 1986, Center for Social Organization of Schools, The Johns Hopkins University, 12 p.

36/ See, for example, In School (As Elsewhere), The Rich Get Computers, The Poor Get Poorer, by Sally Banks Zakariya, The American School Board Journal, March 1984, p. 29-32, and 54; or the section on "access" in the Congressional Research Service issue brief, Computers in Elementary and Secondary Schools: Federal Role, by James B. Stedman, IB84111, regularly updated.

Options

There are several ways in which chapter 1 legislation might be amended in order to determine and effectuate an optimal use of microcomputers in chapter 1 programs. Requirements regarding the use of microcomputers purchased with chapter 1 funds might be clarified. For example, it might be considered appropriate to clarify legal requirements regarding joint use of the equipment in chapter 1 and regular instruction, with proration of the purchase costs based on relative shares of use. This might increase the willingness of LEAs to purchase microcomputers for use in chapter 1 programs, and integration of the use of instructional technology in compensatory and regular instruction of chapter 1 participants.

The Department of Education, perhaps through the 4 regional chapter 1 Technical Assistance Centers (TACs), could become more actively involved in research, demonstration, and dissemination activities regarding the effective use of microcomputers in chapter 1 programs. The systematic evaluation of uses of microcomputers or other new forms of instructional technology (e.g., interactive videodiscs) for the education of disadvantaged children is an area where greater Federal involvement and leadership might be particularly useful.

Chapter 1 might also be amended to authorize the use of certain funds for discretionary grants for microcomputer software curriculum development. In favor of such activities, it might be argued that commercial firms are relatively unlikely to produce software for compensatory education, since areas with large proportions of children needing such instruction have fewer microcomputers and fewer funds available for instructional materials, and such children are relatively unlikely to have microcomputers at home. On the other hand, some education analysts believe that the Federal Government should generally avoid even indirect involvement in the development of curricular

materials, whether computer-related or otherwise--i.e., that such materials should be developed by commercial or non-profit organizations, and be purchased by SEAs and LEAs with a minimum of Federal advice, involvement, or interference, in order to minimize Federal "control" of the substance of education.

8. Improve Coordination of Chapter 1 and the Regular Instructional Program and/or Require That Chapter 1 Services Be Supplementary Terms of Instructional Time

Introduction

According to a number of studies, 37/ chapter 1 instruction most often occurs on a pull-out basis; that is, participating pupils are instructed in a separate setting while other pupils in their class receive regular instruction in the same subjects, usually basic reading and--to a lesser extent--mathematics skills. Thus, pupils participating in chapter 1 typically miss regular or core instruction in reading and/or mathematics while receiving supplementary, chapter 1-assisted instruction in these subjects. The chapter 1 instruction is generally more intensive than the regular instruction--i.e., fewer pupils per teacher, use of specially qualified teachers, use of additional instructional equipment, etc.--and is intended to be more appropriate to the achievement level of the pupils participating in chapter 1 than is the regular instruction.

Chapter 1 programs are not always conducted in this manner; in a significant minority of cases, instructional schedules are managed so that chapter 1

37/ For example, see Cumulative Effects of Federal Education Policies on Schools and Districts, by Michael S. Knapp, et al, SRI International, January 1983, 169 p.; Problems of Implementing Multiple Categorical Education Programs, by Jackie Kimbrough and Paul T. Hill, Rand Corp., September 1983, 39 p.; and Local Operation of Title I, ESEA 1976-1982: A Resource Book, Advanced Technology, Inc. June 1983, 365 p.

participants do not miss regular instruction--rather they miss non-instructional activities or, in relatively rare cases, have an extended school day or year (i.e., after-school or summer programs). In other cases, an in-class approach to compensatory instruction is utilized, with chapter 1 participants receiving additional, more individualized assistance in their regular classroom during general instructional periods. Nevertheless, the pull-out model apparently has been dominant in chapter 1 programs.

In favor of the "pull-out" approach, it might be argued that the loss of exposure to "regular" classroom instruction is not significant because disadvantaged pupils would benefit relatively little from such instruction. This argument is based on an assumption that educationally disadvantaged pupils need intensive instruction that is particularly designed for their educational level and needs. Regular instruction that does not meet these criteria is said to be unproductive for educationally disadvantaged pupils, and in some cases to be counter-productive because it generates frustration among pupils unable to fully comprehend what is being taught. Defenders of the dominant current practices might argue that any alternative would require educationally disadvantaged pupils to either miss non-instructional activities or experience longer schooling periods than other pupils, either of which would unfairly "penalize" chapter 1 participants. Further, it might be argued that it is best to leave decisions regarding the timing and management of instruction to the on-site teachers and administrators who are most familiar with the pupils and instructional programs involved, as under current law and regulations.

Opponents of the typical current scheduling of chapter 1 programs might argue that, in effect, chapter 1 services are supplementary in terms of costing more, being more resource-intensive, and being designed more specifically for the disadvantaged than regular instruction, but chapter 1 instruction is <u>not</u>

supplementary in terms of instructional time. It might further be argued that because of their educational disadvantages, chapter 1 participants need not only specially designed instruction, but also more total exposure to instruction than other pupils. It might be said that while this may appear to be unfair or punitive to some, the provision of the extra instruction these pupils require is less unfair than the alternative of a life of continued low academic achievement.

Increased attention to the importance of instructional time, both in terms of the total length of time scheduled for instruction and the proportion of that time that pupils spend effectively engaged in academic learning, for both disadvantaged and other pupils, has characterized many of the education "reform" reports released from 1983 to the present, as well as substantial recent educational research. The National Commission on Excellence in Education, in "A Nation at Risk," recommended better classroom management to increase the percentage of the school day available for instruction, longer school days and years, and in particular, additional instructional time for low-achievers. Similar recommendations were made by other major "education reform reports" of 1983. 38/ The "Paideia Proposal", offered by Mortimer Adler and others, presumes that all pupils should be exposed to, and can attain, a common curriculum in elementary and secondary education, but that low-achievers will require, and should receive, more instructional time to do so, including preschool instruction for the disadvantaged. 39/ However, some have argued that such recommendations for substantial increases in instructional time,

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38/ U.S. Library of Congress. Congressional Research Service. Comparison of Recommendations From Selected Education Reform Reports, by K. Forbis Jordan. [Washington] 1983. p. 4.

39/ The Paideia Proposal, by Mortimer Adler, 1982, 84 p.

especially for the disadvantaged, are not clearly supported by existing educational research. According to one such critic, "[S]imple mechanical increases in the use of time may not have a significant impact on achievement or other school outputs, and they are likely to be costly relative to their effectiveness. Unfortunately, it is exactly this type of recommendation that is central to recent calls for educational reform." 40/

Options

One attempt to modify the requirements of chapter 1 with respect to instructional time and exposure was the "maintenance of instructional effort" requirement of H.R. 5409, 99th Congress. Apparently, this would have required that LEAs provide all of their regular instructional program to chapter 1 participants, in addition to supplementary instruction provided under chapter 1. Other, less specific amendments to chapter 1 might be considered, if it were determined that chapter 1 participants should receive greater exposure to instruction but that such requirements should not be rigid, and LEAs should have flexibility to decide the extent to which the regular instructional program is appropriate and productive for chapter 1 pupils. For example, LEAs could be required to use chapter 1 aid to "supplement, and to the maximum extent feasible, increase" the instruction provided to participants, with the "feasibility" being determined by the LEAs themselves. LEAs could also be required to provide chapter 1 instruction at times when it does not conflict with or replace regular instruction, to the maximum extent "feasible."

40/ About Time for Educational Reform, by Henry M. Levin, Educational Evaluation and Policy Analysis, Summer 1984, p. 161.

WHO IS SERVED

9. Expand the Availability of Chapter 1 Services Commensurate With the Rise in the Number and Proportion of Children from Poor Families

As discussed at length in previous Congressional Research Service reports 41/, the proportion of school-age children in poverty families rose from 15.3 percent in 1979 to 21.3 percent in 1983, falling to 19.4 percent by 1985. Thus, although the downward trend in these statistics between 1983 and 1985 might continue when more recent data become available, the rate had increased by 27 percent overall from 1979 to 1985. The number of children in poverty families rose from 7.1 to 8.6 million children between these years. Counts of children in poverty families are the primary basis for allocation of chapter 1 LEA grants down to the school level. Further, one of chapter 1's premises is that child poverty and educational disadvantage are associated characteristics. Thus, it might be argued that the recent increase in the proportion and number of children in poor families implies that chapter 1 appropriations should be increased in the same proportion as the increase in the number or proportion of poor children. In actuality, the number of chapter 1 basic grant program participants fell from the 1979-1980 level of 5.4 million to 4.8 million in 1983-84, a decrease of 11 percent. Proponents of substantially increased chapter 1 funding might argue that, although the correlation between poverty and educational disadvantage is imperfect, and not all children served are--or are intended to be--poor, the decline in the number of chapter 1 participants

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41/ Changes in the Rate of Child Poverty: Possible Implications for Chapter 1, Education Consolidation and Improvement Act, by Wayne Riddle, Report No. 86-773 EPW, July 10, 1986, 29 p., and Children in Poverty (prepared by the Congressional Research Service and the Congressional Budget Office), House Ways and Means Committee Print, 1985.

compared to the number of children in poverty from 76 percent in 1979 to 53 percent in 1984, almost certainly indicates a decline in the extent to which the aggregate needs of educationally disadvantaged children are being met by chapter 1.

Opponents of proposals to increase chapter 1 appropriations might argue that the correlation between pupil poverty and educational disadvantage, while statistically significant at all levels of aggregation, is relatively small for individual pupils. Thus, it might be argued that, although LEA- and school-level data on poverty children are an adequate proxy for concentrations of educationally disadvantaged children in the allocation of chapter 1 funds, individual educationally disadvantaged children cannot be identified on the basis of family poverty, nor does an increase in the number of poor children necessarily imply a proportional increase in the number of educationally disadvantaged children. In particular, if one accepts the research indicating that only relatively long-term poverty is substantially associated with educational disadvantage, 42/ then relatively short-term increases in the number of poor children might not be associated with any substantial increase in the number of educationally disadvantaged children. However, a counter to this argument would be that short-term increases in the number of poor children might presage increases in the number of children experiencing long-term poverty.

42/ See, for example, Poverty, Achievement, and the Distribution of Compensatory Education Services, Department of Education, Office of Educational Research and Improvement, 1986, p. 42-50.

10. Focus Chapter 1 Assistance on Children From Families Experiencing Long-Term Poverty and/or Living in Areas of High Poverty Concentration

Introduction

Analyses prepared for the first interim report of the National Assessment of Chapter 1, 43/ while not definitive, appear to indicate that, although there is a statistically significant relationship between poverty and educational disadvantage in general, there is a stronger (though still imperfect) relationship between long-term and/or concentrated poverty and educational disadvantage. In other words, the poverty of a child's family is more likely to be associated with educational disadvantage if the family has been poor for several years or the family lives in a geographic area with large numbers of poor families. On the basis of this research, it might be argued that, if feasible, chapter 1 grants should be more focused on children experiencing long-term poverty or living in areas of high poverty concentration. 44/ Currently, chapter 1 basic grants are the same per formula-eligible child for all LEAs in a State, and amounts per child differ between States only through cost factor differences, aside from the effects of the "hold harmless" provision.

A concentration grant program already is contained in title I, section 117 (incorporated by reference into chapter 1), which authorizes additional grants to LEAs in counties where there are 5,000 or more children counted in the chapter 1 basic grant allocation formula (primarily, children in poor families)

43/ U.S. Department of Education, Office of Educational Research and Improvement, Poverty, Achievement, and the Distribution of Compensatory Education Services, Washington, 1986, 220 p.

44/ For a more detailed analysis of this research and its possible implications, see the Congressional Research Service Report, Changes in the Rate of Child Poverty: Possible Implications for Chapter 1, Education Consolidation and Improvement Act, by Wayne Riddle, July 10, 1986, 29 p.

or where such children constitute 20 percent or more of the total school-age population. Within such counties, all LEAs could receive a share of concentration grant funds, but the share is reduced to LEAs where chapter 1 formula-eligible children represent less than 20 percent of the total population aged 5-17. This program was enacted in 1978 (P.L. 95-561), and it was preceded by earlier concentration grant authorizations, 45/ the first enacted in 1970. However, the section 117 concentration grant program has not been funded in recent years.

Options

With respect to concentrated poverty, chapter 1 could be modified by either: extension of, and the provision of appropriations for, the current concentration grant program; authorization of a new, yet similar, concentration grant program; allocation of all chapter 1 basic grant funds only to LEAs and/or schools with high concentrations of children from poor families; or modification of the basic grant formula to provide higher payments per formula-eligible child in LEAs with high concentrations of poverty families. 46/ In

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45/ In P.L. 91-230, there were authorized additional title I basic LEA grants to LEAs where the number of formula-eligible children constituted either 20 percent of the population aged 5-17 or at least 5,000 children (and 5 percent of the population aged 5-17). Under P.L. 93-380, this authorization was modified to use $3,000 as the low-income level, and to authorize grants to LEAs where the number of formula-eligible children constituted either 10,000 children (and 5 percent of all school-age children) or twice the average number of formula-eligible children for LEAs in the State. The current concentration grant program authorizes assistance to LEAs in counties where the number of formula-eligible children equals either 20 percent of the population aged 5-17 or 5,000 children.

46/ For example, in the basic grant allocation formula, formula-eligible children in LEAs with poverty concentration of less than 10 percent could be weighted at 1.0, with higher weights associated with formula-eligible children in LEAs with higher concentration levels. A similar weighting scale could also be applied to intra-LEA allocations.

contrast, an allocation formula factor that directly reflects the duration of poverty is not currently feasible, due to a lack of appropriate data. However, research cited by the National Assessment of Chapter 1 47/ indicates that certain personal characteristics that are directly measurable (e.g., being black, living in a rural area, living with only one parent or with a disabled head of household) are closely associated with long-term poverty, and might be used as a proxy for such a poverty status.

If the research cited by and/or prepared for the National Assessment of Chapter 1 is considered valid and reliable, then a change in the chapter 1 allocation formula to provide relatively higher grants on the basis of formula-eligible children experiencing concentrated or long-term poverty (using indirect, proxy measures for the latter) might lead to better targeting of limited funds on those children who are most educationally disadvantaged. However, there are several potential problems with such an approach. First, the underlying research is limited, especially with respect to the effects of poverty duration. Also with respect to duration of poverty, data directly measuring this characteristic, and that would be appropriate for fund allocation purposes, are unavailable. Third, whatever the validity of the research and the feasibility of implementing its findings, the implications of such research are limited by the fact that poverty data are used in chapter 1 not to select individual children to be served but rather to select LEAs and school attendance zones to receive assistance (and to determine the amount of assistance these areas receive).

Once funds are allocated to schools, participants are selected on the basis of educational disadvantage, not income. The appropriateness of this

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47/ Poverty, Achievement, and the Distribution Of Compensatory Education Services, p. 45.

process is not dependent on an assumption that all poor and other children counted in the allocation formula are educationally disadvantaged; instead, it is only necessary to assume that rankings of LEAs or school attendance zones on the basis of their number of poor children will approximate rankings on the basis of educationally disadvantaged children. Poverty child counts that are not modified according to concentration or duration are much more closely associated with educational disadvantage at such aggregate levels than for individual pupils; 48/ and it has not been shown that, at this aggregate level, counts of children experiencing concentrated or long-duration poverty could be used as a more accurate proxy for rankings based on educational disadvantage. Finally, a substantial narrowing of LEA eligibility to receive chapter 1 grants might reduce the breadth of Congressional support for this program.

11. Provide a More Intensive Program for the Most Disadvantaged Pupils

Introduction

According to the findings of the most extensive evaluation to date of compensatory education programs, title I/chapter 1 services are most successful in meeting the special educational needs of "moderately"--as opposed to "severely"--disadvantaged pupils (where disadvantage is measured in terms of initial academic achievement level). 49/ A possible implication that might be

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48/ For a discussion of this issue, see Changes In The Rate Of Child Poverty: Possible Implications For Chapter 1, Education Consolidation and Improvement Act.

49/ "Thus, it appears that title I was effective for students who were only moderately disadvantaged, but it did not improve the relative achievement of the most disadvantaged part of the school population." Launor F. Carter, The Sustaining Effects Study of Compensatory and Elementary Education, Educational Researcher, August/September 1984, p. 7.

drawn from this finding is that a separate, more resource-intensive, program should be established for the most disadvantaged pupils.

Options

A possible analogy to this situation might be the Federal employment training programs, wherein an intensive, residential program--the Job Corps--is offered to very disadvantaged youth. Another high-intensity alternative program that has been proposed is a voucher program that would pay the full costs of non-public education programs for highly disadvantaged youth for up to 3 years. 50/ The common theme of such proposals or analogies is that severely disadvantaged pupils may need more intensive and comprehensive educational and related services than are currently offered under chapter 1 in order to make significant progress in overcoming their educational disadvantages, and that chapter 1--as currently structured--is most effective in meeting the needs of moderately disadvantaged pupils.

Two basic problems with suggestions that more comprehensive and intensive services be offered to the most disadvantaged pupils are the potentially high costs of such services, and uncertainty over the form that such services should take with respect to elementary and secondary pupils. A possibility is the establishment of residential programs, analogous to those of the Job Corps, but there may be substantial resistance to such proposals with respect to elementary and secondary pupils, since residential schools are relatively uncommon at this age level. Another possible model of more comprehensive services to severely disadvantaged pupils is the Follow Through program, under which

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50/ Minimum Competency, Maximum Choice, by Barbara Lerner.

selected pupils previously served under the Head Start program have received continued educational and related services in grades kindergarten through 3. Indirect means of providing more intensive assistance to the most disadvantaged pupils might include supplemental grants to areas with high concentrations of pupils from low-income families (see option 10, above), or school-wide projects in such areas (see option 2). These options are related to the present topic to the extent that the presence of severely disadvantaged pupils may be related to the degree of poverty concentration in a neighborhood or school.

Alternatively, rather than maintaining the current chapter 1 basic grant program for moderately disadvantaged pupils and creating a new program for the more severely disadvantaged, some might propose that eligibility for the basic grant program be limited to a smaller group of severely disadvantaged children and youth. As a rationale for such a proposal, it might be argued that limited Federal resources should be more heavily concentrated than currently on pupils most in need of compensatory education. Possible ways of limiting eligibility include aiding only pupils who are both educationally disadvantaged and from low-income or ethnic minority families, or only pupils scoring below a rather low percentile level (e.g., 20 percent) on standardized achievement tests, or only educationally disadvantaged pupils in schools or LEAs with relatively high percentages (e.g., 25 percent) of their pupils from low-income families.

Proponents of such proposals might argue that they would better target limited Federal funds on those most in need, lead to the provision of more comprehensive services for each program participant, and increase individual attention. Opponents of greater concentration of chapter 1 basic grants on fewer pupils might argue that such a policy change might increase the program's success with the most disadvantaged pupils, but only at an unwarrantedly high cost of eliminating the program's positive effect on the achievement of

millions of moderately disadvantaged pupils. It might be further argued that a severe limitation of eligibility for chapter 1 would promote the illusion that moderately disadvantaged pupils do not need compensatory education, and eliminate pressure to increase funding so that a higher proportion of disadvantaged pupils may be served under the program. The additional limitation of program eligibility might also reduce support for chapter 1 funding, by substantially reducing the range of geographic areas or population groups being assisted under chapter 1. Finally, it might be argued that severely disadvantaged pupils should receive more comprehensive compensatory education services, but only through additional programs to supplement basic grants, not through elimination of moderately disadvantaged pupils from basic grant eligibility.

12. Clarify Legislative Intent With Respect to Services for Handicapped or Limited English Proficient Children Under Chapter 1

Introduction

The 3 major Federal elementary and secondary education programs for specific target populations of pupils with special educational needs are the chapter 1 program for educationally disadvantaged pupils, the Education of the Handicapped Act (EHA) for handicapped pupils, and the Bilingual Education Act (BEA, title VII of the Elementary and Secondary Education Act, as amended) for limited English proficient children. In recent years, some analysts have raised concerns about the potential overlaps between these 3 programs and the populations they serve. Existing research clearly indicates the potential for conflict, confusion, and overlap among Federal categorical programs--or between these programs and the core instructional program--but provides conflicting

evidence on the extent to which these potential problems actually occur or have significant impact.

The authors of a Rand Corporation study released in 1983 51/ expressed concern about 2 aspects of chapter 1 and other programs of Federal aid to elementary and secondary education. These were described as "interference"--"conflict between categorical programs and the core local program"--and "cross subsidy"--"the use of categorical program funds intended for one beneficiary group to provide services for another group." 52/ The authors found evidence of both of these phenomena in each of 20 sample LEAs they surveyed. The most common forms of interference they found were pupils missing core instruction because they were "pulled out" of their regular classroom for special instruction under the categorical Federal programs, and "staff tensions due to conflicts between core and categorical programs." The most common forms of cross-subsidy they found were teachers whose salaries were paid by one categorical program serving pupils under a different categorical program, and students eligible under one program being served under a different categorical program.

In contrast to the negative implications of these findings, the authors of another 1983 study of the "Cumulative Effects Of Federal Education Policies On Schools And Districts" 53/ found that LEAs generally coordinate the instruction provided in regular and categorical classroom settings as well as administrative activities, so as to limit interruptions of the regular instructional program and minimize administrative burdens. They also found that the

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51/ Problems of Implementing Multiple Categorical Programs, by Jackie Kimbrough and Paul T. Hill, September 1983, 39 p.

52/ Kimbrough and Hill, p. v.

53/ Knapp, Michael S., et al, SRI International, January 1983, 171 p.

allocation of services to pupils eligible for more than one Federal program was generally accomplished in a manner that reasonably matched pupils' needs with available resources, and did not lead to duplication of services among programs or pupils being served by multiple programs. Overall, these analysts found in LEAs a process of "settling in over time" with respect to Federal programs and their associated requirements--"[S]ervices for target students have become more appropriate; administrative burdens are being handled more efficiently . . . ." 54/ Thus, they tend to minimize the impact of the problems found by the authors of the Rand study discussed above.

A third study of issues related to chapter 1 services for handicapped or limited English proficient pupils was published in 1982. 55/ It was found that a majority of LEAs deem at least some handicapped pupils to be eligible for chapter 1 services, although very few (3.6 percent) provided instructional services specially designed for handicapped students as part of their chapter 1 program. A majority of LEAs were also found to consider limited English proficient pupils to be eligible for chapter 1, while 10.9 percent included services specially designed for such pupils in their chapter 1 program. With respect to program and administrative coordination, the findings of this study were similar to those of the Rand report in emphasizing that coordination between categorical programs, or between these and the core instructional program, is limited. "The primary mode of instructional coordination appears to be informal exchanges among individual teachers, who receive little guidance

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54/ Knapp, et al, p. 165.

55/ Title I Services to Students Eligible for ESL/Bilingual or Special Education Programs, by Maryann McKay and Joan Michie, Advanced Technology, Inc. September 1982, 37 p.

from district administrators. Thus, coordination rests on the creativity of teachers who may not be familiar with the requirements for compliance." 56/

Options

Whatever the actual extent of "interference" or "cross subsidy" problems with chapter 1 and related programs, it might be worthwhile to clarify legislative intent with respect to program coordination and pupil eligibility for services under multiple programs. Regarding pupil eligibility, it is generally the case that the statute and regulations for the Education of the Handicapped Act and the Bilingual Education Act attempt to restrict eligibility to specific pupil groups, while chapter 1 does not explicitly exclude handicapped or limited English proficient pupils. (Nevertheless, some analysts and local program administrators have apparently considered these pupils to be implicitly ineligible for chapter 1 simply because of the existence of Federal programs other than chapter 1 that are specifically focused on these groups.)

In considering the relationships between chapter 1 and other Federal categorical programs, significant structural differences between the EHA and the BEA should be kept in mind. Under the State grant program of the EHA (part B), participating States are required to provide a "free, appropriate" public education to all handicapped children in the State. A similar requirement for the handicapped children, not contingent on receipt of EHA grants, is contained in sec. 504 of the Rehabilitation Act of 1973. 57/ Federal funds are allocated on a formula basis, in relation to the number of handicapped children served.

56/ McKay and Michie, p. 35.

57/ This requirement is contingent on the receipt of any Federal assistance.

The handicaps of children served under the EHA vary widely in nature and severity--from specific learning disabilities to severe mental retardation or physical limitation. In contrast, the BEA is a project grant program of much smaller size than either chapter 1 or the EHA, intended to provide temporary 58/ assistance for the development of instructional programs to meet the special needs of limited English proficient children. Requirements to provide special instructional services to limited English proficient children derive from a 1974 decision of the U.S. Supreme Court in the case of Lau v. Nichols, and are not limited to LEAs receiving Bilingual Education Act grants.

Questions

Several questions might be considered in the reauthorization of chapter 1 regarding the treatment of handicapped and limited English proficient children under the program. Is there any reason to exclude handicapped or limited English proficient pupils from chapter 1 if they are otherwise qualified? Does the existence of mandates that LEAs provide appropriate services to such pupils imply that serving them under chapter 1 would result in supplanting, rather than supplementing, services that would otherwise be provided from State and local revenues? Does the presence of handicapped or limited English proficient pupils in chapter 1 programs result in those programs being designed to meet the special needs of these pupils, rather than the less specific needs of other disadvantaged pupils? Should there be specific requirements for administrative and instructional content coordination when pupils are eligible for or served by more than one Federal categorical program? Should some sort of

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58/ Nevertheless, many of the grantees have received funds over a number of years.

"consolidation" of Federal assistance be authorized on an individual pupil basis when pupils are eligible for multiple programs? Is the current situation, in which most decisions in this area are implicitly left to the judgment of local teachers and administrators, who may be assumed to engage in program coordination and cross subsidy to the extent they deem necessary or appropriate, necessarily a "problem" that must be "fixed"? Would elimination of handicapped and limited English proficient pupils from chapter 1 eligibility emphasize LEA responsibility to meet these pupils' special educational needs using non-Federal (or at least non-chapter 1) resources, leaving more chapter 1 resources available for other disadvantaged pupils; or would this primarily result in a reduced level of services to handicapped and limited English proficient pupils, who may be among the most disadvantaged pupils in many localities?

13. Place Greater Emphasis on Serving Secondary School Pupils and on Dropout Prevention

Introduction

Relatively few chapter 1 participants have been senior high school students. According to 1983-84 data prepared for the Department of Education, 1 percent of chapter 1 participants were in grade 12, 2 percent in grade 11, and 3 percent in grade 10. This may be compared to the 10-13 percent of participants in each of grades 1-6, or the 6 percent in kindergarten. 59/ Further, the achievement gains of chapter 1 participants in grades 10-12 have been

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59/ Synthesis Of State Chapter 1 Data, Summary Report, by Michael A. Carpenter and Patricia A. Hopper, Advanced Technology, Inc., September 1985, p. 4.

substantially less than those attained by pupils in lower grades. 60/ However, a plausible explanation for these results is that the smaller group of senior high school participants is more disadvantaged on average than the larger and broader groups of elementary participants. The generally lower pre-test (i.e., before receiving chapter 1 services) scores of the high school participants is consistent with this argument.

There are several reasons why most chapter 1 funds have been used to serve pupils in grades K-6. Most administrators and teachers have tended to assume--though not always on the basis of rigorous research--that "early intervention" in meeting the special educational needs of disadvantaged pupils will often sufficiently improve those pupils' performance that compensatory instruction will not be needed in later grades. Others have taken research indicating that the correlation of family income with educational achievement is relatively higher in early grades 61/ as implying that chapter 1 services should be focused on those early grades (although this is not necessarily a valid inference). Some have stated that high school students are less willing to attend compensatory education classes, or are more stigmatized by identification as being educationally disadvantaged, than elementary pupils. Finally, it has been argued that the greater complexity of high school schedules, the greater variety of curricula, and a relative lack of appropriate instructional materials have limited LEA interest in providing chapter 1 services in high schools.

60/ Carpenter and Hopper, p. A-4 and A-5.

61/ See Changes in the Rate of Child Poverty: Possible Implications for Chapter 1, Education Consolidation and Improvement Act.

Options

It might be argued that the most significant impact that a compensatory elementary and secondary education program might have over the long run is to reduce the rate at which disadvantaged pupils drop out of school. There is a significant relationship between failure to graduate from high school and such basic indicators of success in later life as income, employment, receipt of welfare assistance, participation in criminal activities, etc. 62/ Further, increased attention has recently been focused on the size of the high school dropout rate, especially for ethnic minority students. 63/ In contrast, it should be noted that studies of the effects of failing to complete high school generally do not adequately focus on the specific impact of dropping out, as distinguished from a variety of related social, economic, and deomgraphic factors. Further, the availability of remedial education programs may not significantly reduce the rates at which senior high school students drop out.

A greater title I/chapter 1 emphasis on secondary school students, or authorization of a separate compensatory education program for such students, has been considered at several times in the past. A series of reports prepared for the Office of Education by the Stanford Research Institute between 1975 and 1977 discussed issues related to compensatory education for high school

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62/ See, for example, The Public Economic Benefits of a High School Education, by Lillian D. Webb, in Educational Need in the Public Economy, edited by Kern Alexander and K. Forbis Jordan, Gainesville, the University Presses of Florida, 1976, p. 64-83.

63/ U.S. Library of Congress. Congressional Research Service. High School Dropouts [by] Bob Lyke. [Washington] (Issue brief 86003) Regularly updated.

students. 64/ In 1980, legislation was passed by the House that would have authorized a separate program of compensatory education in high schools with relatively high proportions of students in low-income families; but action was not completed on the Youth Act of 1980 before the end of the 96th Congress and was not renewed in the following year. In the 99th Congress, legislation was introduced to authorize a compensatory education program specifically for secondary school students (H.R. 901, S. 508), but no action was taken on these bills. Also during the 99th Congress, the House of Representatives passed H.R. 3042, the Dropout Prevention and Reentry Act of 1985, but there was no further action on this legislation.

Under chapter 1, as previously under ESEA title I (except during the early years of the program), there is no Federal direction regarding the use of funds to serve secondary versus elementary or even pre-elementary pupils. These decisions have been made by LEAs, sometimes with guidance or advice from SEAs. Those who agree with the policy implicit in this approach--that LEAs know best at what grade levels to focus their limited chapter 1 funds--might argue that the relative lack of chapter 1 participation by high school students is not a "problem," but simply a consequence of local decisions regarding the highest priority use of Federal assistance. Such individuals might argue that further Federal direction on the use of chapter 1 funds to serve high school students would be inappropriate and counter-productive, as it would implicitly violate local judgments as to the best way to use the aid. They might suggest that those interested in serving more high school students under chapter 1 should simply advocate increasing the chapter 1 appropriation level, since this might

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64/ Compensatory Education and Early Adolescence: Reviewing our National Strategy; Better Basic Skills for Youth: Four Proposals for Federal Policy; and Survey of Basic Skills Programs for Adolescents in Seven States.

result in more LEAs serving all eligible elementary pupils and using additional funds to serve secondary pupils.

An important consideration with respect to the age/grade levels at which chapter 1 services should be focused is the extent to which gains made by pupils while in chapter 1 classes are sustained after chapter 1 services are no longer received. If a high proportion of these gains are sustained over a long period of time, this would lend important support to a policy of focusing services on the earliest grades; while a finding that few of the gains are sustained after loss of chapter 1 might imply that compensatory services ought to be spread to pupils at all grade levels and offered to pupils most in need throughout their school years, not concentrated on the elementary grades. The largest and most recent evaluation of this aspect of chapter 1 was the Sustaining Effects Study (SES), conducted under contract to the Department of Education by System Development Corporation over the period of 1977-1983. According to the findings of the SES, pupils who had received compensatory education services in grades 1-3 generally showed no significant sustained or delayed effects of this assistance by the time they reached junior high school. 65/

Anyone proposing to increase Federal compensatory education assistance to high school students should consider that the bulk of the existing chapter 1 experience, relevant instructional materials, and knowledge of effective program design is focused on elementary pupils. Thus, it might be appropriate for any such proposal to include aid for research and development related to compensatory education at the high school level. It might also be considered whether the typical structural differences between secondary and elementary schools (e.g., the larger size, greater curricular variety, possibility of

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65/ The Sustaining Effects Study of Compensatory and Elementary Education, by Launor F. Carter, Educational Researcher, Aug./Sept. 1984. p. 7.

discouraged students dropping out, etc., in high schools) imply that structural differences are appropriate for a secondary school compensatory education program.

If the aggregate funding level for chapter 1 remains substantially unchanged, a possible effect of using more of those funds at the secondary level would be to focus funds on relatively more disadvantaged pupils overall. According to the first interim report of the National Assessment of Chapter 1, released in 1986, a major reason why some relatively non-disadvantaged pupils are served by chapter 1, while many pupils who are more disadvantaged are not served, is the limitation of the program to certain (usually elementary) grade levels in most LEAs. To take a simplified, hypothetical example, assume an LEA has a total of 400 pupils, 200 each in elementary and secondary school. Further assume that the LEA's chapter 1 basic grant is sufficient to serve 100 pupils overall, and that the pupils in each grade group (elementary and secondary) are evenly distributed across 4 achievement levels or quartiles (e.g., 50 elementary pupils are in the lowest achievement quartile according to national norms, 50 are in the second quartile, etc.). If the pupils are selected in priority order--i.e., beginning with the lowest achievers and working up the achievement scale--in the grade group(s) wherein the LEA is to provide chapter 1 services, then the extent to which the most disadvantaged pupils in the LEA <u>overall</u> are served will depend on whether the LEA serves elementary or secondary, versus both, pupils. If only elementary or secondary pupils are served, then all pupils in the first and second achievement quartiles would be served; i.e., the achievement level of participants would range up to the "average" (50th percentile) level. One consequence of this is that pupils in one grade

group with achievement up to the 50th percentile would be served 66/, while the lowest achieving pupils in the other sector would not be served. However, if pupils were equally served in both grade groups, then only pupils in the first quartile--with achievement ranging only up to the 25th percentile--would be served. Thus, spreading chapter 1 funds to both the elementary and secondary grade levels could result in greater concentration on the most disadvantaged pupils in the LEA overall.

14. Establish a Separate Program for the Education of Children in Chapter 1 Target Schools Who Are Not Below-Average Achievers

Introduction

There has always been a significant degree of ambiguity regarding the "primary" or "ultimate" purpose of chapter 1. 67/ Many observers have tended to believe that the program is intended to serve children residing in low-income areas, and who are additionally "disadvantaged" in the sense of being members of ethnic minorities and/or being from low-income families, but are not necessarily below-average in academic achievement. Such children have been described as achieving below their potential because of the disadvantages they face, and as needing special educational assistance to achieve at the level appropriate to their ability and to overcome barriers associated with their family income and/or ethnicity. While this perspective runs counter to a general assumption that chapter 1 is intended to serve only children with

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66/ In practice, this situation appears to result in at least some participants having achievement levels somewhat above average.

67/ See, for example, Poverty, Achievement, and the Distribution of Compensatory Education Services, p. 2-5.

below-average achievement levels, some practitioners have apparently continued to believe that chapter 1 services should not always be limited to such pupils.

Options

The Congress might wish to deal more directly with this issue, either by clearly stating that participants must have below-average achievement levels, or by authorizing a separate program (or a separate section or part of chapter 1) of aid for the education of disadvantaged pupils with above-average achievement levels.

In favor of such a proposal, it might be argued that bright children who attend schools with relatively high numbers of pupils from low-income families face many of the same barriers as faced by low-achievers attending such schools. It might be argued that chapter 1 target schools are less likely than schools serving more affluent areas to have the special educational services, plus the support and competition from peers, necessary for bright pupils to achieve their potential. Proponents might state that the failure of a bright pupil from a low-income area to achieve at his or her capability represents a loss to society as serious as the failure of a less capable child in that area to learn basic academic skills. They might also argue that the proposed program would offer a means for pupils who are "graduated out of" chapter 1 programs, due to their improved achievement level, to continue or even accelerate their improved rate of learning begun under chapter 1.

In response, opponents of a new program of aid for the education of bright children in chapter 1 target schools might argue that as long as many low-achieving pupils remain unserved, no new program should be established that might simply drain resources from the existing chapter 1 program--i.e., that

provision of supplementary services to all low-achieving pupils in chapter 1 schools must remain the top priority. It might be argued that a failure of bright pupils to achieve their best is a less serious problem than a failure of any pupils to attain basic academic skills. Further, opponents might argue that States, LEAs, and even private organizations have historically shown greater interest in serving bright or gifted pupils using their own resources, so there is little need for a stimulative Federal effort in this area. They might state that the termination of previous Federal programs of aid to gifted elementary and secondary pupils reflects Congressional judgment that serving such pupils is not a National priority or unmet need. 68/ Finally, opponents might note that a large proportion of all elementary schools have chapter 1 programs, most of these schools serve a relative diverse pupil population, and there is a statistically significant correlation between family income and achievement. Therefore, it is likely that a program for bright pupils in chapter 1 schools would actually serve many pupils who are not in any sense "disadvantaged"--i.e., they are not from low-income families or ethnic minorities. The only alternatives to this result might be the establishment of income or ethnic criteria for eligibility, which have generally been considered to be unacceptable for Federal elementary and secondary education aid programs, or limitation of the proposed program to schools with especially high concentrations of pupils from low-income families, perhaps as part of a school-wide plan (see option 2) for such schools.

68/ For a discussion of the previous Federal programs and related issues, see Federal Policy for the Education of the Gifted and Talented, by Angela M. Evans, Congressional Research Service Report No. 84-640 EPW, May 16, 1984, 25 p. Education for the gifted and talented remains as one of several authorized uses of funds, at State and local discretion, under the block grant program of chapter 2, Education Consolidation and Improvement Act.

In the 99th Congress, legislation was passed by the House (H.R. 3263) that would have placed a priority on serving "economically disadvantaged" pupils in a new Federal program of aid for the education of gifted and talented children. However, this was only one of several priorities, and the aid would not have been limited to children attending chapter 1 target schools. After House passage, no further action was taken on H.R. 3263.

HOW RESOURCES ARE ALLOCATED

15. Provide Financial, Or Other, Incentives to Improve Performance

Introduction

The primary means by which the Department of Education currently attempts to achieve the twin goals of minimal prescriptiveness and improved performance is through the "Secretary's Initiative" to identify, and disseminate information about, "exemplary" chapter 1 programs. The "Initiative" is intended to select a limited number of especially effective chapter 1 programs, then to compile and disseminate information on these to all chapter 1 administrators. It is intended that the selection process will provide the rewards of recognition and praise to those conducting the "exemplary" programs, and that those conducting other chapter 1 programs will voluntarily adopt some of the educational practices identified as characteristic of the recognized programs.

The current reliance on voluntary adoption of exemplary practices seems more likely to meet the goal of minimizing Federal prescriptiveness than that of improving performance by significantly increasing the adoption of chapter 1 program practices deemed to be especially effective. An additional potential

problem with the current policy in this area concerns the process whereby the "exemplary" programs were identified, and their "effective" practices compiled. In selecting the programs to be recognized by the Secretary's Initiative, and in preparing the 2-volume guide to the selected programs ("Effective Compensatory Education Sourcebook"), Department of Education staff applied preconceived criteria regarding the characteristics of effective chapter 1 programs. 69/ In other words, rather than selecting "exemplary" chapter 1 programs, then analyzing their characteristics, ED staff began with a set of characteristics deemed, by the Federal officials and certain educational researchers, to be especially effective in compensatory education for disadvantaged children, then selected the "exemplary" programs on the basis of how well nominated programs fit the pre-established criteria. As a result, "effective" programs were selected on the basis of inputs or processes--i.e., their intentions or methods--rather than directly on the basis of output or performance--i.e., the results of applying the methods. Thus, the selected programs may be considered to be high-performing programs only to the extent that the identified characteristics actually are associated with effective performance, an issue about which there has been some dispute in the education research community. 70/

69/ For a listing of the "effective schools" characteristics that were applied in this process, see the discussion of option number 2 in this report.

70/ U.S. Library of Congress. Congressional Research Service. The Effective Schools Research: Content and Criticisms, by James Stedman. 18, 1985, [Washington] 1985. 12 p.

Options

There might be interest in adopting additional means of identifying and/or rewarding "exemplary" chapter 1 programs. There are various ways in which such a policy could be structured. Performance could be measured, and rewarded, at either the LEA or individual school level. The reward could be in the form of either financial incentives, freedom from certain program regulations, or simply the reward of recognition. Financial rewards could consist of additional funds for regular chapter 1 program operations, for the school as a whole, or salary bonuses for program teachers and other staff.

In establishing an incentive program, it would be necessary to determine the performance goals to be measured. A program might consider only achievement test scores, or be based on a mix of desired program outputs--e.g., reduced dropout rates, improved attendance, more positive pupil attitudes, "graduation" from chapter 1 to the regular school program, etc. If more than one output measure is used, an appropriate scheme for assigning weights to different outputs would have to be determined.

However such a program were constructed, a key issue would be determination of the criteria for selecting the LEAs or programs to be rewarded. One approach would be to adopt the process described above that is already utilized in the Secretary's Initiative--selection of programs with characteristics that best match those identified in previous research on "effective schools". However, aside from being indirect, the validity of this technique is fully dependent on acceptance of the research upon which it is based. Alternative techniques could include the following:

--selection of LEAs or programs where performance exceeds that of the previous year;

--selection of LEAs or programs where performance exceeds "expected" performance (i.e., performance of similarly situated LEAs or programs); and

--provision of grants to States to establish incentive grant programs of their own design, perhaps within the bounds of general legislative and regulatory guidance.

Proponents of a performance incentive program for chapter 1 might argue that such a focus is consistent with growing interest in the education community in financial incentives--e.g., merit pay for teachers or other staff, the "merit schools" concept 71/--and in the recognition of excellence. It might be argued that marginal increases in chapter 1 appropriations would be more productively used if focused on LEAs or programs with high performance levels. Proponents might further argue that performance incentive grants would more actively promote the adoption of effective program practices, but without the negative effects of additional Federal requirements. Finally, proponents might state that while a performance incentive program would likely be imperfect and controversial, any negative consequences of adoption would be less significant than the current policy of providing no financial incentive for improved performance.

Those who oppose authorizing performance incentives for chapter 1 might argue that both the output goals selected and the method of determining recipients is likely to be either "over-simplified" or "over-complicated", and in either case to be controversial and, perhaps, to provide undesirable incentives. 72/ Observers might criticize as "over-simplified" the goal of increasing achievement test scores or the method of selecting LEAs or schools

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71/ In the States of California and Florida, the State provides additional funds to schools meeting certain performance standards.

72/ This may be one reason why the Department of Education has focused on input measures in selecting exemplary chapter 1 programs under the "Secretary's Initiative".

where scores exceed those for the previous year. They might argue that there is not universal agreement that the only or most important goal of chapter 1 is to increase achievement test scores; and that there are several reasons why scores might rise from one year to the next that are unrelated to program performance--e.g., a greater focus on less-disadvantaged pupils, a change in school attendance zone boundaries, etc. On the other hand, observers might criticize as "over-complicated" a program focusing on a mix of program goals or one that selects recipients on the basis of performance above that which would be "expected." While performance "expectations" for an LEA or program might be statistically estimated, there would likely be considerable debate over demographic or other characteristics that such a process should take into account. Other possible arguments that might be offered in opposition to a chapter 1 performance incentive program or policy include the following: there might be undesirable incentives to focus assistance on the eligible pupils who are least disadvantaged, rather than those most in need, in order to give the appearance of improved performance; if local resources are not considered, it is possible that a disproportionate share of funds could go to relatively wealthy LEAs; and if a program is focused on individual schools, some of the best-performing schools may already be serving all their eligible children and have little need for additional chapter 1 funds.

There is an inherent tension, in a program such as chapter 1, between the goal of minimizing Federal prescriptiveness, or maximizing State and local flexibility, and the goal of increasing program effectiveness by broadening the adoption of program practices considered to be "exemplary." While improving program performance is clearly desirable, many think it would be counterproductive, or otherwise undesirable, to have the Federal Government mandate specific pedagogical techniques. In addition, detailed requirements for the

conduct of chapter 1 programs would not be consistent with the legislative and regulatory trends for this program since 1981.

16. Modify the Allocation Formula

Past Administration Proposals

The current chapter 1 LEA grant allocation formula was established in the Education Amendments of 1978 (P.L. 95-561), and has not been modified since that time. 73/ In conjunction with its budget requests of recent years, the Administration has proposed 2 amendments to the LEA grant allocation formula. First, it has been proposed that the requirement for use of the "criteria" of poverty used in the 1970 census be deleted, allowing use of the 1980 census poverty criteria in determining chapter 1 formula-eligible child counts. In compiling data from the 1970 census, different poverty thresholds were applied to families distinguished on the basis of size, sex of family head, and farm/non-farm residence. In contrast, the 1980 census structure of poverty income thresholds varies only with respect to family size; the separate thresholds for families based on male/female head or farm/non-farm residence were removed. Thus, chapter 1 now requires that poverty child data be used from the 1980 census, with a "base" income threshold adjusted to the price levels of that time, but distinguishing among families according to the more detailed 1970 census scale of family types. Use of the 1980 census poverty criteria would

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73/ Data have been updated since 1978 for children in poverty (replacement of 1970 census counts with those from the 1980 census) and the allocation formula factors that are updated annually (the cost factor and formula-eligible child counts other than poverty children). However, the formula factors themselves--e.g., school-age children in poverty families according to the latest available census, using the criteria of poverty from the 1970 census--have not been changed since 1978.

have minimal effect on allocation shares received by most counties, with the only systematic pattern being relatively large percentage (but relatively small dollar amount) increases in allocations to certain low-population rural counties.

More substantial allocation shifts would result from the second formula modification proposed by the Administration in recent years--removal of the provision that one-half of the increase in appropriations above the FY 1979 level be allocated to States based on data from the 1976 Survey of Income and Education (SIE). Under this provision, adopted as a partial update of 1970 census data during consideration of the Education Amendments of 1978, the designated portion of appropriations is allocated at the State level according to shares of the standard chapter 1 cost factor multiplied by SIE counts of children aged 5-17 years in families with 1975 income below 50 percent of the national median income for 4-person families (i.e., a relative measure of low income, in contrast to the poverty income measure used elsewhere in chapter 1 LEA allocations). Intra-state allocations of the State aggregates are based on county and LEA shares of the State total of formula-eligible children counted in the allocation of other LEA grants (poverty children, etc.).

Removal of the "SIE formula"--hence, allocation of all LEA grants according to the "base formula" of current law--would lead to significant shifts of allocation shares for several States. According to a Congressional Research Service analysis of allocations for 1985-86, removal of the "SIE formula" would have resulted in increases of up to 6.2 percent in overall LEA grants by States in the West North Central region plus certain South Central States; while losses of up to 4.5 percent would have been experienced by most Southeastern,

Northeastern, and Far West States. 74/ Further, if chapter 1 appropriations increase, the relative influence of the SIE portion of the allocation formula also increases, since it applies to one-half of the amount above the FY 1979 appropriation.

Other, more substantial, revisions to the chapter 1 allocation formulas might be considered by the 100th Congress. The most significant revisions ever made to the LEA grant formula were those of the Education Amendments of 1974 (P.L. 93-380), under which the low-income level for determining child counts was changed from $2,000 to the poverty criteria as used in the 1970 census. Adoption of the 1974 amendments was preceded by a long debate over alternatives to the LEA grant formula. In contrast, there has been relatively little discussion or debate over the basic grant allocation formula in recent years, with 2 exceptions. These exceptions include the Administration-proposed amendments discussed above; and a period in 1983, when formula modifications were considered in response to allocation shifts resulting from initial use of 1980 census data on children in poverty.

Replacement of 1970 census counts of children in poverty with 1980 census poverty data led to significant shifts in chapter 1 LEA grant allocation shares among the regions. These shifts were partially implemented in 1982-83, and fully in 1983-84. Counties in most of the Southeastern and South Central States experienced reductions in their share of funds, while States in the Northeastern, Midwestern, and Far Western regions gained. During Congressional consideration of supplemental appropriations for FY 1983, amendments were offered to modify the chapter 1 LEA grant formula so as to mitigate the

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74/ Chapter 1, Education Consolidation and Improvement Act--Fiscal Year 1986 Allocations Compared to Estimated Allocations Under Formula Revisions Proposed in the Administration's FY 1986 Budget Request, by Wayne Riddle, May 14, 1985, 4 p.

reduction in allocation shares by the Southern States. In general, the proposed amendments would have added an allocation factor related to personal income or "taxable wealth" per capita, or modified (or even removed) the formula's cost factor, in a manner that would raise the allocations to most Southern States, as well as certain other areas. None of the allocation formula amendments were adopted at that time, although supplemental appropriations were enacted specifically for counties in States that were otherwise experiencing the greatest allocation reductions.

It is possible that similar amendments might be offered in the 100th Congress, although there has been little public debate over this issue since 1983. In view of the probability that chapter 1 provisions adopted by the 100th Congress would likely be in effect when 1990 census data become available (probably in 1992 or 1993), some may attempt to predict and accommodate changes in the distribution of poverty children according to the 1990 data. Data on shifts in the regional distribution of all persons (not specifically children) in poverty between 1979 and 1985 are now available. According to these data, the South's share of the national poverty population has continued to decline, as has that of the Northeast, while that of the Midwest and West regions has risen.

Finally, some may wish to consider more basic changes in the chapter 1 LEA grant allocation formula--e.g., use of a low-income standard other than the poverty income level, modification or removal of the cost factor, or perhaps use of academic achievement measures, rather than low income, as the basis for allocating funds. The first of these possibilities, while always conceivable, seems relatively unlikely due to the lack of recent, public criticism of the use of poverty child counts in the LEA grant formula. Alternative low-income measures were explored at length in a legislatively-mandated report by the

former Department of Health, Education, and Welfare in 1976 (The Measure of Poverty). As occurred in 1983, the modification or removal of the cost factor might again be considered as a means of increasing allocation shares to the Southern States, which still tend to have relatively low levels of average per pupil expenditure. Finally, proposals to replace low-income measures with low-achievement measures in the allocation of chapter 1 funds among States and LEAs are likely to continue to be hindered, as they have in the past, by the lack of adequate data. There are currently no sources of comparable data on pupil academic achievement, on a State or LEA level, for all States. Such data might become available at the State level in the future from the National Assessment of Educational Progress (NAEP), which currently can provide achievement data at only the regional level; but these data are unlikely to be available during consideration of the reauthorization of the ECIA.

17. Eliminate the Program

Evaluations of the effectiveness of chapter 1 typically fit the "half empty/half full glass" analogy. Clearly, chapter 1 services have, on average, a statistically significant, 75/ positive, immediate effect on pupil achievement levels. However, the gains made by chapter 1 participants are insufficient to raise their overall achievement levels to those of non-disadvantaged pupils. While many analysts have adopted the "half full" perspective of this situation, others have adopted the opposite viewpoint and determined that the program is not fulfilling its purpose, sometimes concluding that chapter 1

75/ The term, "significant," is used here in the technical sense, that it is highly unlikely that the observed increases in average achievement among chapter 1 participants have occurred by chance.

services are not worth their cost and should be terminated, at least in their current form. 76/

Unfortunately, analysis of this option is complicated by the lack of studies of the long-term effects of chapter 1 on academic achievement or other possible outcomes (e.g., high school completion rates). The only nationally representative, longitudinal study of chapter 1 participants (the Sustaining Effects Study) covered only a 3-year period. It would be desirable to have longer-term evaluations of the effects of chapter 1, beyond the immediate effect on academic achievement. For example, even if chapter 1 did not raise achievement test scores, but did reduce high school dropout rates or raise postsecondary education entry rates among those who earlier received chapter 1 services, then the program might still be considered to be successful. Conversely, some would consider chapter 1 to be unsuccessful if it raised short-term achievement levels but had no effect on high school completion or postsecondary enrollment rates. However, data are unavailable to determine whether chapter 1 does have such effects. Most participants are no longer receiving chapter 1 services by the time they enter high school, and those who are still being served tend to be among the most disadvantaged.

The lack of relatively long-term, longitudinal data on chapter 1 participants also makes it impossible to accurately estimate the aggregate benefits, in relation to costs, of the program. While most costs might be identified, the potential benefits that could be translated into dollar values--e.g., increased high school completion and college entrance rates, reduced welfare dependency, increased employment and income, reduced incidence of

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76/ For example, see Federal (Chapter 1) Educational Spending and Effects On Poor Children, by Herbert J. Walberg, Oct. 1984, 20 p.; and A Symbol Only: After 20 Years, It's Time to Let Someone Else Try, by Thomas Ascik, Educational Choice, December 1985, p. 4-5.

crime, etc.--could only be measured via a long-term study. It is not possible to accurately predict such effects solely on the basis of changes in elementary or junior high school academic achievement, typically the only evaluation results available for chapter 1. A chapter 1 study similar to the longitudinal evaluation of the Perry Preschool Program in Ypsilanti, Michigan, 77/ might be useful in this regard.

18. Renew Emphasis on the State Incentive Grant Program

As noted earlier, the Education Amendments of 1978 added to ESEA title I a new program of State Incentive Grants--aid to match expenditures for State compensatory education programs similar to title I/chapter 1. Although this program continues to be authorized, no funds have ever been appropriated for it. Whatever the reasons for the lack of funding for this program, it might be argued that it deserves renewed attention when many are interested in encouraging State initiatives in elementary and secondary education, and some States have recently adopted major elementary and secondary education "reform" programs that include a special emphasis on the disadvantaged.

According to a study prepared for ED in 1985, 78/ 16 States operated their own compensatory education programs in 1984-85, with 3 more scheduled to begin implementation of such programs in 1985-86. 79/ It was reported that total expenditures for these State programs were $1,012.5 million in 1984-85, an amount

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77/ Changed Lives, The Effects of the Perry Preschool Program on Youths Through Age 19, by John R. Berreuta-Clement, et al. 1984, 210 p.

78/ Summary Of State Compensatory Education Programs, by Janie E. Funkhouser and Mary T. Moore, May 3, 1985, 28 p.

79/ More recently available information indicates that these 3 States--Indiana, Kentucky, and Pennsylvania--implemented new compensatory education programs in 1985-86.

equal to 22.5-percent of total Federal and State expenditures for compensatory education in that year. States vary widely in the extent that their compensatory education programs are coordinated with chapter 1, from thorough integration of the State and Federal programs in providing services to the same groups of pupils, to almost complete separation, with the State program serving pupils not being assisted under chapter 1.

Possible new programs could provide Federal matching grants to all States with compensatory education programs (as would the current authorization), or provide assistance only for a limited period of time to States establishing new compensatory education programs. While the second alternative might maximize the stimulus effect of the Federal funds, it might seem inequitable to the States that already operate compensatory education programs. As an additional (or substitute) incentive, States with their own compensatory education programs might be allowed greater flexibility in the use of regular chapter 1 basic grants.

Proponents of Federal matching grants to States with their own compensatory education programs might argue that the assistance would encourage States to adopt such programs, would stimulate State acceptance of greater responsibility for the provision of special educational services to disadvantaged children, would emphasize the primacy of the States in the provision of education, and--if desirable--might make it possible to eventually transfer to the States greater responsibility for the provision of compensatory education.

In response, opponents of Federal grants to match State compensatory education expenditures might argue that the size of State compensatory education programs is determined more by the resources a State has available than by a State's need for such programs. Of the 16 States identified in the recent ED study (see note 78/) as having State compensatory education programs, 8

States (one-half) had above average levels of personal income per capita, but these States accounted for 84 percent of the 1984-85 State expenditures for compensatory education. Thus, a simple matching grant program (i.e., one that simply matched State compensatory education expenditures without additional adjustments) in 1984-85 would have allocated 84 percent of the funds to States with above-average levels of personal income per capita. 80/

80/ Of course, proponents of a compensatory education matching grant program might respond that the program could be designed to include such factors as an adjustment to reduce grants to relatively high income States, or to limit the share of grants that could go to a single State.